



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 8**

1595 Wynkoop Street  
DENVER, CO 80202-1129  
Phone 800-227-8917  
<http://www.epa.gov/region08>

  
1151625 - R8 SDMS

Ref: 8ENF-L

March 11, 2009

Margo Ramage  
Eisenstein Malanchuk, LLP  
1048 Potomac Street NW  
Washington, DC 20007

RE: Gilt Edge Mine Site  
Lawrence County, South Dakota

Dear Ms. Ramage:

Enclosed are copies of additional insurance related documents we found abandoned at the Gilt Edge Site. As more such documents are discovered, I will forward them on to you. Thank you for your assistance in this matter. If you have any questions, please call me at 303-312-6904.

Sincerely,

A handwritten signature in cursive script, appearing to read "Andrea Madigan", followed by a long horizontal flourish.

Andrea Madigan  
Enforcement Attorney

Enclosures  
cc: Stephen Keim, OSRE



Printed on Recycled Paper



D.H. Blattner & Sons, Inc.  
392 County Road 50  
Avon, MN 56310-8661  
P: 320-356-7351  
F: 320-356-7392  
[www.dhblattner.com](http://www.dhblattner.com)

February 3, 2009

Sharon L. Kercher, Director  
United States Environmental Protection Agency  
Region 8  
1595 Wynkoop Street  
Denver, CO 80202-1129

RE: Gilt Edge Mine Site  
Lawrence County, South Dakota

Dear Sharon,

In response to your letter dated 09/03/08, we have investigated our insurance coverage's for the period Blattner was at the Gilt Edge Mine Site.

Home Insurance Co. and Reliance Insurance Co. who held our policies at that time are no longer in business.

We have attached a copy of our current pollution policy with ACE American Insurance Company. We do not have a definite answer from them as to any coverage.

Please feel free to contact me at 320-356-2308 or email [jackies@dhblattner.com](mailto:jackies@dhblattner.com) with any questions or concerns you may have.

Thank you.

Sincerely,

A handwritten signature in black ink that reads "Jackie Schafer".

Jackie Schafer  
Contract Administrator

Enclosure(s)



ACE American Insurance Company

## Contractors Pollution Liability And Errors & Omissions II Insurance Policy (Declarations)

This Policy is issued by the stock insurance company listed above (herein called the "Insurer").

INSURING AGREEMENT A. PROVIDES CLAIMS MADE COVERAGE WHICH COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED, AND REPORTED TO THE INSURER, IN WRITING, DURING THE POLICY PERIOD. PLEASE READ THIS POLICY CAREFULLY. SOME OF THE PROVISIONS CONTAINED IN THIS POLICY RESTRICT COVERAGE, SPECIFY WHAT IS AND IS NOT COVERED AND DESIGNATE RIGHTS AND DUTIES. LEGAL DEFENSE EXPENSES ARE SUBJECT TO AND WILL ERODE THE LIMITS OF LIABILITY AND ANY APPLICABLE SELF-INSURED RETENTION.

THE DECLARATIONS, TOGETHER WITH THE COMPLETED AND SIGNED APPLICATION, THIS POLICY AND ANY ENDORSEMENTS OR SCHEDULES ATTACHED HERETO, CONSTITUTE THE INSURANCE POLICY.

<b>Policy No. : COO G23902138 001</b>		<b>Renewal of: N/A</b>
<b>Item 1.</b>	Named Insured: <b>Blattner Holding Company</b> Principal Address: <b>400 County Road 50</b> <b>Avon, MN 56310</b>	
<b>Item 2.</b>	Policy Period: From: 12:01 A.M. 03/01/2008 To: 12:01 A.M. 03/01/2009 (Local time at the address shown in Item 1.)	
<b>Item 3.</b>	Retroactive Date: <b>December 31, 2004 (E&amp;O)</b>	
<b>Item 4.</b>	Limits of Liability: a. <b>\$ 5,000,000</b> Per Claim Limit b. <b>\$ 5,000,000</b> Aggregate Limit	
<b>Item 5.</b>	Self Insured Retention:  <b>\$ 100,000</b> Per Loss or Professional Loss	
<b>Item 6.</b>	Premium: <b>\$195,971</b> (25% minimum earned)	
<b>Item 7.a.</b>	Notice of Claim: ACE Casualty Risk Claims 140 Broadway, 40 <sup>th</sup> Floor New York, NY 10005 Attn: Environmental Claims Unit Facsimile: (646) 458-5933	
<b>7.b.</b>	All Other Notices: Environmental Risk Underwriting Officer ACE Casualty Risk P.O. Box 1000 436 Walnut Street – WA 07A Philadelphia, PA 19106	

<b>Item 8.a.</b>	<b>Covered Operations:</b>	<b>Contracting operations performed by on behalf of the Named Insured.</b>
<b>8.b.</b>	<b>Covered Professional Services:</b>	<b>Professional services provided by or on behalf of the Named Insured as rendered in in the disciplines of engineering design and land surveying.</b>
<b>Item 9.</b>	<b>Producer Name and Address: Willis Of Minnesota, Inc. 4000 Olson Memorial Highway Suite 300 Minneapolis, MN 55422</b>	

**Forms and Endorsements Attached at Policy Issuance:**

Endorsement Number:	Form Number:	Form Name:
	PF-23696 (02/08)	Contractors Pollution Liability And Errors & Omissions Insurance Policy
001	LD-2S70a (02/01)	Minnesota Changes – Cancellation and Nonrenewal
002	PF-24481 (02/08)	Additional Named Insured(s) Endorsement – Professional & Pollution
003	PF-24479 (02/08)	Additional Insured Defense Endorsement – Professional & Pollution
004	PF-24524 (02/08)	CPL.EO.OCC Automobile Endorsement With Sublimit
005	PF-24483 (02/08)	Asbestos Amendatory Endorsement
006	PF-24528 (02/08)	CPL.EO.OCC Fungi (Claims-Made Coverage) Endorsement
007	ALL-21101 (11/06)	Trade Or Economic Sanctions Endorsement
008	CC-1D11e (02/06)	Signature Endorsement
009	PF-23728 (02/08)	Terrorism Risk Insurance Act Endorsement
010	TRIA11b (01/08)	Disclosure Pursuant To Terrorism Risk Insurance Act
	ALL20887 (10/06)	ACE Producer Compensation Practices & Policies
	ALL-4Y30a (08/2001)	Information And Complaints
	ALL5X45 (11/96)	Questions About your Insurance?
	IL P 001(01/04)	U.S. Treasury Department's Office Of Foreign Assets Control ("OFAC") Advisory Notice To Policyholders

**IN WITNESS WHEREOF**, the Insurer has caused this Policy to be countersigned by a duly authorized representative of the Insurer.

**DATE:** March 1, 2008  
MO/DAY/YR

*William P. Hagston*

\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE



**Occurrence Contractors  
Pollution Liability  
and Errors & Omissions  
Insurance Policy  
CPL.EO.OCC**

This Policy is issued by the stock insurance company listed above (herein called the Insurer).

**INSURING AGREEMENT A. PROVIDES CLAIMS MADE COVERAGE WHICH COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED AND REPORTED TO THE INSURER, IN WRITING, DURING THE POLICY PERIOD. PLEASE READ THIS POLICY CAREFULLY. SOME OF THE PROVISIONS CONTAINED IN THIS POLICY RESTRICT COVERAGE, SPECIFY WHAT IS AND IS NOT COVERED AND DESIGNATE RIGHTS AND DUTIES. LEGAL DEFENSE EXPENSES ARE SUBJECT TO AND WILL ERODE THE LIMITS OF LIABILITY AND ANY APPLICABLE SELF-INSURED RETENTION.**

Throughout this Policy the words *the Insurer* shall refer to the company providing this insurance. Other words and phrases that appear in quotation marks have special meanings and are defined in Section V. – Definitions.

In consideration of the payment of the Premium and in reliance upon all statements made in the Application to this Policy, including the information furnished by the "insured" in connection therewith, and subject to all terms, definitions, conditions, exclusions, and limitations of this Policy, the Insurer agrees to provide insurance coverage to the "insured" as described herein.

**I. INSURING AGREEMENTS**

The Insurer agrees to pay on behalf of the "insured" for all:

- A. "Professional loss" incurred in excess of the "self-insured retention" which the "insured" becomes legally obligated to pay, resulting from "claims" arising from an actual or alleged "wrongful act" in the performance of "covered professional services". This insurance shall only apply if:
  - 1. The "claim" is first made against the "insured" and reported to the Insurer, in writing, during the "policy period" or "extended reporting period", if applicable; and
  - 2. The "wrongful act" which results in a "claim" arises out of the performance of "covered professional services" that first commence on or after the Retroactive Date, shown in Item 3. of the Declarations and before the end of the "policy period".
- B. "Loss" incurred in excess of the "self-insured retention" which the "insured" becomes legally obligated to pay as a result of a "pollution condition". Such "loss" must occur during the "policy period" and result from "covered operations".

**II. LIMITS OF LIABILITY AND SELF-INSURED RETENTION**

- A. It is expressly agreed that the Insurer's obligation to pay for any covered "loss" or "professional loss" shall attach to the Insurer only after the "insured" has paid, in the applicable legal currency, the full amount of the "self-insured retention". Under no circumstances shall the Insurer be liable to pay any amount within the "self-insured retention".
- B. The "self-insured retention" shall apply to all "loss" or "professional loss" from one or more "claims" arising out of the same, continuous, repeated or related "pollution condition" or "wrongful act", respectively.
- C. The Aggregate Limit of Liability shown in Item 4.b. of the Declarations shall be the maximum liability of the Insurer under this Policy with respect to all "loss" and "professional loss" during the "policy period" irrespective of the time of payment by the Insurer.
- D. Subject to Subsection C., above, and subject to Subsection F., G. and H., below, the most the Insurer shall pay for all "loss" and "professional loss" arising from the same, continuous, repeated or related "pollution condition" or "wrongful act", respectively, is the Limit of Liability shown in Item 4.a. of the Declarations.

- E. If more than one Insuring Agreement under this Policy applies to the same "loss" or "professional loss", the Insurer will not pay any more than the Limit of Liability shown in Item 4.a. of the Declarations for the same, continuous, repeated or related "pollution condition" or "wrongful act" that gave rise to the "loss" or "professional loss".
- F. If the Insurer or an affiliate has issued claims-made professional liability coverage to the "insured" over successive policy periods, then all "professional loss" resulting from multiple "claims", which: arise out of the same, continuous, repeated or related "wrongful act"; and are reported to the Insurer over multiple policy periods, shall be treated as a single "claim" arising from a single "wrongful act" under a single policy. Said "claim" will be subject to the Limits of Liability and "self-insured retention" of the policy in effect at the time that the "wrongful act" was first reported to the Insurer, and no other policy shall respond.
- G. All "loss" resulting from, or arising from the same, continuous, repeated or related "pollution condition" shall be treated as a single "loss" under a single policy. Said "loss" will be subject to the Limits of Liability and "self-insured retention" of the policy in effect at the time that the "pollution condition" first commenced, and no other policy shall respond.
- H. Indivisible, progressive "bodily injury" or "property damage" over multiple policy periods caused by the same, continuous, repeated or related "pollution condition" shall be deemed to have first commenced only in the policy period of the date of the first exposure to the pollution condition. If the Insurer or an affiliate has issued occurrence-based contractors pollution liability coverage to the "insured" over successive policy periods, and, if the date of such first exposure cannot be conclusively determined, but the indivisible, progressive "bodily injury" or "property damage" continues to exist during the Insurer's successive periods of coverage, the "bodily injury" and "property damage" will be deemed to have occurred only on the effective date of the first, relevant contractors pollution policy issued by the Insurer.

### III. DEFENSE AND SETTLEMENT

- A. Except as otherwise specified in Section IV. of this Policy, the Insurer shall have the right and the duty to defend the "insured" against a "claim" to which this insurance applies. The Insurer shall have no duty to defend the "insured" against any "claim(s)" to which this insurance does not apply. The Insurer's duty to defend ends once the Limits of Liability are exhausted or are tendered into a court of applicable jurisdiction, or once the "insured" refuses a settlement offer as provided in Subsection E., below.
- B. The Insurer shall have the right to select legal counsel to represent the "insured" for the investigation, adjustment, and defense of any "claim" covered under this Policy. Selection of legal counsel by the Insurer shall not be done without the consent of the "insured"; such consent shall not be unreasonably withheld. "Legal defense expense" incurred prior to the selection of legal counsel by the Insurer will not be covered under this Policy or credited against the "self-insured retention".
- C. The "insured" shall have the right and the duty to retain a qualified environmental consultant to perform any investigation and/or remediation of any "pollution condition" covered under this Policy. The "insured" must receive the written consent of the Insurer prior to the selection and retention of such consultant, except in the event of an "emergency response". Any costs incurred prior to such consent will not be covered under this Policy or credited against the "self-insured retention", except in the event of an "emergency response".
- D. "Legal defense expense(s)" reduce the Limits of Liability shown in Item 4. of the Declarations and shall be applied to the "self-insured retention".
- E. The Insurer shall present all settlement offers to the "insured". If the Insurer recommends a settlement which is acceptable to a claimant, exceeds any applicable "self-insured retention", is within the Limits of Liability, and does not impose any unreasonable burden on the "insured", and the "insured" refuses to consent to such settlement offer, then the Insurer's duty to defend the "insured" under this Policy shall end. Thereafter, the "insured" shall defend such "claim" independently. The Insurer's liability under this Policy shall not exceed the amount for which the "claim" could have been settled had the Insurer's settlement recommendation been accepted by the "insured", exclusive of the "self-insured retention".

#### IV. COVERAGE TERRITORY

This Policy shall afford coverage for "claims" arising from "covered professional services" and "covered operations" performed worldwide, provided that any legal action is initiated and any "claim" is made within the United States, including its territories and possessions, Puerto Rico or Canada. This Policy shall not afford coverage for any risk which would otherwise be in violation of the laws of the United States including, but not limited to, economic or trade sanction laws or export control laws administered by the United States Government.

#### V. DEFINITIONS

**A. "Additional insured" means:**

1. The person(s) or entity(ies) specifically endorsed onto this Policy as an "additional insured(s)", if any. Such "additional insured(s)" shall maintain only those rights under this Policy as are specified by endorsement; and
2. All clients of a "named insured(s)", but only when required by written contract or agreement, and solely with respect to the "covered operations" performed by or on behalf of the "named insured(s)" for that client. However, such clients are covered solely with respect to "loss" arising from "covered operations" and are not covered for any "loss" arising from the clients' own liability.

**B. "Bodily injury" means physical injury, sickness, illness, disease, mental anguish, emotional distress, or shock, sustained by any person, including death resulting therefrom.**

**C. "Claim" means the assertion of a legal right, including but not limited to, suits or other actions, alleging responsibility or liability on the part of the "insured" for "loss" or "professional loss" resulting from:**

1. An actual or alleged "wrongful act" in the performance of "covered professional services"; or
2. A "pollution condition" resulting from the "insured's" "covered operations".

**D. "Covered operations" means those operations performed by or on behalf of the "named insured(s)" specifically listed in Item 8.a. of the Declarations.**

**E. "Covered professional services" means those services of the "named insured(s)" as specifically listed in Item 8.b. of the Declarations, where such services are either performed:**

1. For a fee; and/or
2. In conjunction with the "covered operations" listed in Item 8.a. of the Declarations.

**F. "Emergency response" means actions taken and reasonable "remediation costs" incurred by the "insured" to abate and/or respond to an imminent and substantial threat to human health or the environment arising from a "pollution condition" resulting from "covered operations" to which this insurance applies.**

**G. "Extended reporting period" means the additional period of time in which to report a "claim" for "professional loss" that is first made against the "insured" during or subsequent to the end of the "policy period".**

**H. "First named insured" means the person or entity shown in Item 1. of the Declarations. The "first named insured" is the party responsible for payment of all Premiums and any "self-insured retention". The "first named insured" will also serve as the sole agent on behalf of all "insureds" with respect to the provision and receipt of notice(s), including notice of cancellation or non-renewal, receipt and acceptance of any endorsement(s) or any other change(s) to this Policy, return of any Premium, assignment of any interest(s) under this Policy, as well as the exercise of any applicable "extended reporting period", unless any such responsibilities are otherwise designated by endorsement.**

**I. "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents, or byproducts produced or released by "fungi".**

**J. "Insured" means the "first named insured", any "named insured(s)", or any "additional insured(s)", and:**

1. Any current or former director, officer, partner, or employee of the "named insured" while acting within the scope of his or her duties as such;

2. Any retired director, officer, partner, or employee of the "named insured", but only to the extent they are acting as a consultant to a "named insured" within the "named insured's" provision of "covered professional services";
  3. The heirs, executors, administrators, and legal representatives of each "insured" as defined in 1. and 2., above in the event of death, incapacity or bankruptcy, but only with respect to liability arising out of "covered professional services" or "covered operations" rendered on behalf of the "insured" prior to death, incapacity or bankruptcy;
  4. Any person who is a temporary or leased worker performing "covered professional services" or "covered operations" on behalf of and under the supervision of the "insured";
  5. A joint venture to which the "named insured" is a party, but only to the extent the joint venture's legal liability arises out of the "insured's" performance of "covered professional services" or "covered operations" under any such joint venture.
- K. **"Insured contract"** means that part of any contract or agreement pertaining to "covered professional services" and/or "covered operations", whereby the "named insured" assumes the liability of another party to pay for "loss" or "professional loss" to a third person or organization.
- L. **"Legal defense expense"** means reasonable legal costs, charges and expenses, including expert charges, incurred by the "insured" in the investigation, adjustment, or defense of "claims" or suits.
- M. **"Loss"** means "bodily injury", "property damage", and "remediation costs", including any related "legal defense expense(s)".
- N. **"Low-level radioactive waste"** means waste that is radioactive but not classified as the following: high-level waste (spent nuclear fuel or the highly radioactive waste produced if spent fuel is reprocessed), uranium milling residues, and waste with greater than specified quantities of elements heavier than uranium.
- O. **"Mixed waste"** means waste containing both radioactive and hazardous components as defined under United States law by the Atomic Energy Act and the Resource Conservation and Recovery Act as each may be amended.
- P. **"Named insured"** means the "first named insured" and any person(s) or entity(ies) specifically endorsed onto this Policy as a "named insured(s)", if any. Such "named insured(s)" shall maintain the same rights under this Policy as the "first named insured", unless otherwise specified by endorsement.
- Q. **"Natural resource damage"** means injury to, destruction of, or loss of, including the resulting loss of value of fish, wildlife, biota, land, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone established by the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. § 1801 et. seq.)), any state or local government, any foreign government, or any Indian Tribe, or, if such resources are subject to a trust restriction on alienation, any members of any Indian Tribe, including the reasonable costs of assessing such injury, destruction or loss resulting therefrom.
- R. **"Non-owned disposal site"** means a site not owned or operated by the "insured", and in which the "insured" maintains no ownership interest, which receives or has received the "insured's" waste.
- S. **"Policy period"** means the period shown in Item 2. of the Declarations, or any shorter period resulting from the cancellation of this Policy.
- T. **"Pollution condition"** means the discharge, dispersal, release, escape, migration, or seepage of any solid, liquid, gaseous or thermal irritant, contaminant or pollutant, including smoke, soot, vapors, fumes, acids, alkalis, chemicals, hazardous substances, hazardous materials, or waste materials, on, in, into, or upon land and structures thereupon, the atmosphere, surface water or groundwater. For the purpose of this definition, waste materials includes, but is not limited to, "low-level radioactive waste" and "mixed waste".
- U. **"Professional loss"** means monetary awards or settlements of compensatory damages, including any related "legal defense expense(s)".
- V. **"Property damage"** means any of the following:
1. Physical injury to, or destruction of, tangible property owned by third parties, including all resulting loss of use of that property;



2. Loss of use of tangible property owned by third parties, that is not physically injured or destroyed;
3. Diminished value of property owned by third parties; and
4. "Natural resource damages".

**W. "Remediation costs"** means reasonable expenses incurred to investigate, quantify, monitor, mitigate, abate, remove, dispose, treat, neutralize, or immobilize "pollution condition(s)" to the extent required by applicable law. "Remediation costs" shall also include:

1. Reasonable legal cost, where such cost has been incurred by an "insured" with the prior written consent of the Insurer; and
2. Reasonable expenses required to restore, repair or replace real or personal property, owned by third parties, to substantially the same condition it was in prior to being damaged during the course of responding to a "pollution condition(s)".

**X. "Responsible insured"** means any employee of an "insured" responsible for environmental affairs, control, or compliance of a "covered professional service" or "covered operation", and any officer, director, or partner of the "named insured".

**Y. "Self-insured retention"** means the dollar amount shown in Item 5. of the Declarations or as otherwise designated by endorsement, if any.

**Z. "Terrorism"** means activities against persons, organizations or property of any nature:

1. That involve the following, or preparation for the following:
  - a. Use or threat of force or violence; or
  - b. Commission or threat of a dangerous act; or
  - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
  - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
  - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

**AA. "War"** means war, whether or not declared, civil war, martial law, insurrection, revolution, invasion, bombardment or any use of military force, usurped power or confiscation, nationalization or damage of property by any government, military or other authority.

**BB. "Wrongful act"** means any act, error, omission, misstatement, misleading statement or breach of duty actually or allegedly committed or attempted by any "named insured" in its capacity as such.

## VI. EXCLUSIONS

This insurance does not apply to "loss" or "professional loss" arising out of or related to:

### A. Asbestos

The presence or dispersal of asbestos or asbestos-containing materials. This exclusion shall not apply to the following:

1. Asbestos abatement operations performed on behalf of a "named insured(s)" by a certified and insured asbestos abatement subcontractor / subconsultant;
2. The inadvertent disturbance of asbestos or asbestos containing materials by or on behalf of a "named insured(s)" during the course of performing "covered operations".

### B. Bankruptcy

Bankruptcy or insolvency of an "insured" or of any other person, firm, or organization.

### **C. Contractual Liability**

Any liability of others assumed by the "insured" through contract or agreement. This exclusion does not apply to liability:

1. That the "insured" would have in the absence of such contract or agreement; or
2. Assumed in such contract or agreement that is an "insured contract", provided that the actual or alleged "wrongful act" arising out of "covered professional services" or "pollution condition" arising out of "covered operations", respectively, occurs subsequent to the execution of the contract or agreement.

### **D. Discrimination**

Discrimination by the "insured" whether based upon age, color, race, sex, creed, national origin, marital status, physical disability, or sexual preference.

### **E. Employer's Liability**

"Bodily injury" to:

1. An "insured" or an employee of its parent, subsidiary or affiliate:
  - a. Arising out of and in the course of employment by any "insured" or its parent, subsidiary or affiliate; or
  - b. While performing duties related to the conduct of the "insured's" business.
2. The spouse, child, parent, brother or sister of such "insured" or employee of its parent, subsidiary or affiliate as a consequence of Paragraph 1., above.

This exclusion applies:

1. Whether the "insured" may be liable as an employer or in any other capacity; and
2. To any obligation to share damages with or repay someone else who must pay damages because of such "bodily injury".

This exclusion does not apply to liability assumed by a "named insured" in an "insured contract".

### **F. Failure to Maintain Insurance**

The actual or alleged failure to advise or require or failure to effect and maintain any policy of insurance, suretyship or bond.

### **G. Faulty Workmanship**

The cost to repair or replace faulty construction or workmanship in any construction, erection, fabrication, installation, assembly, manufacture, or remediation performed by the "insured", including the cost of any materials, parts or equipment furnished in connection therewith.

### **H. Fiduciary Liability**

The "insured's" services and/or capacity as:

1. An officer, director, partner, trustee or employee of an organization not stated in Item 1. of the Declarations, or charitable organization or pension, welfare, profit sharing, mutual or investment fund or trust; or
2. A fiduciary under the Employee Retirement Income Security Act of 1974 and its amendments, or any regulation or order issued pursuant thereto; or any other employee benefit plan.

### **I. Fines and Penalties**

Payment of fines, penalties, punitive, exemplary or multiplied damages, or injunctive relief, including any legal costs associated with such fines and penalties. This exclusion will not apply to coverage for punitive damages where such coverage is allowable by law.

#### **J. Fungi**

Arising out of or in anyway related to, in whole or part, the actual, alleged, or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi", regardless of whether any other cause, event, material, or product contributed concurrently or in any sequence to such injury or damage.

This exclusion shall also apply to any costs or expenses arising out of the testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, or disposing of, or in any way responding to or assessing the effects of "fungi" by any "insured" or by any other person or entity.

#### **K. Insured's Internal Expenses**

Expenses incurred by an "insured" for services performed by the salaried staff and employees of the "insured".

#### **L. Insured vs. Insured**

"Claims" made by an "insured" against any person or entity that is an "insured" under this Policy. This exclusion shall not apply to clients of any "named insured" who is an "insured" under this Policy.

#### **M. Intentional or Fraudulent Acts**

1. Any knowing, willful or deliberate noncompliance with any statute, regulation, ordinance, municipal code, administrative complaint, notice of violation, notice letter, administrative order, or instruction of any governmental agency or body; or
2. Any fraudulent, criminal, or malicious "wrongful act" or those of a knowingly wrongful nature committed intentionally by or at the direction of an "insured";

This exclusion shall not apply to any "insured" that did not personally acquiesce in or remain passive after having personal knowledge of one or more of the acts described above.

#### **N. Known Conditions**

1. Any "wrongful act" that first commenced prior to the inception date of this Policy, or the inception date of the first policy with the Insurer when consecutively renewed, if any "responsible insured" knew or reasonably could have foreseen that a "claim" may result;
2. "Pollution condition(s)" in existence prior to the "policy period", caused by "covered operations" performed by or on behalf of a "named insured", or arising out of any resumption, change or continuation of such "pollution condition(s)", if any "responsible insured" knew or reasonably could have foreseen prior to the "policy period" that such "pollution condition(s)" could give rise to a "claim"; and
3. Any "wrongful acts" or "pollution condition" that the "insured" has reported to another insurer under a prior policy. This provision shall apply whether or not the Limits of Liability have been exhausted under such prior policy or the terms of said prior policy are materially different from this Policy.

#### **O. Non-Owned Disposal Sites**

"Pollution condition(s)" on, at, or migrating from a "non-owned disposal site". This exclusion shall not apply to any "non-owned disposal site" listed on the Schedule of Non-Owned Disposal Sites Endorsement, if any.

#### **P. Personal Injury**

False arrest, humiliation, detention or imprisonment, eviction wrongful entry or other invasion of private occupancy, or malicious prosecution, abuse of process, libel, slander, or other defamatory or disparaging material, or a publication or an utterance in violation of an individual's right of privacy.

#### **Q. Products Liability**

Any goods, products or equipment designed, manufactured, sold, supplied or distributed by the "insured".

#### **R. Related Entities**

"Claims" asserted by any organization other than the "first named insured" or "named insured", which is or was operated, managed, owned or controlled, in whole or in part by an "insured", or which did or does operate, manage, own or control, in whole or in part, an "insured".

#### **S. Securities Violations**

Violation of the Securities Act of 1933 as amended or the Securities Exchange Act of 1934 as amended or any state Blue Sky or securities law or similar state or federal statute and any regulation or order issued pursuant to any of the foregoing statutes.

#### **T. Trademark/Copyright Infringement**

Infringement, misappropriation, or violation of copyright, patent, service marks, trademarks, trade secrets, title or other proprietary or licensing rights or intellectual property of any products, technologies or services.

#### **U. Vehicles**

"Pollution condition(s)" resulting from the use, maintenance or operation of an automobile, aircraft, watercraft, or other conveyance. This exclusion does not apply to the use of vehicles reasonably related to the "covered operations" of the "insured", including loading or unloading, within the boundaries of the locations where "covered operations" are being performed.

#### **V. War or Terrorism**

Any acts that involve, or that involve preparation for, "war" or "terrorism", regardless of any other cause or event that contributes concurrently or in any sequence to any resulting "loss" or "professional loss".

#### **W. Warranties**

Express warranties and guarantees. However, this exclusion does not apply to a warranty or guarantee by the "insured" that the "insured's" "covered professional services" or "covered operations" are in conformity with generally accepted architectural or engineering standards.

#### **X. Workers' Compensation**

Under The Jones Act or any workers' compensation, unemployment compensation, or disability benefits law or related laws.

### **VII. REPORTING AND COOPERATION**

**A.** The "insured" must provide the Insurer with prompt written notice of any "claim" under this Policy to the address shown in Item 7.a. of the Declarations. Notice should include reasonably detailed information as to:

1. The identity of the "insured", including contact information for an appropriate person to contact regarding the handling of the "claim";
2. The "covered professional services" or "covered operations";
3. The location of the alleged "wrongful act" or "pollution condition";
4. The nature of the "claim"; and
5. The steps undertaken by the "insured" to respond to the "claim".

**B.** The "insured" must:

1. Immediately send the Insurer copies of any demands, notices, summonses or legal papers received in connection with any "claim";
2. Authorize the Insurer to obtain records and other information;
3. Cooperate with the Insurer in the investigation, settlement or defense of the "claim";
4. Assist the Insurer, upon the Insurer's request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of "professional loss" or "loss" to which this Policy may also apply; and
5. Provide the Insurer with such information and cooperation as the Insurer may reasonably require.

- C. No "insured" shall make or authorize an admission of liability or attempt to settle or otherwise dispose of any "claim" without the written consent of the Insurer. Nor shall any "insured" retain any consultants or legal counsel, or incur any "legal defense expense" or "remediation costs" without the express prior written consent of the Insurer, except in the event of an "emergency response".
- D. In the event of a "pollution condition", the "insured" shall make every attempt to mitigate any "loss" and comply with applicable laws. The Insurer shall have the right, but not the duty, to mitigate such "pollution condition" if, in the sole judgment of the Insurer, the "insured" fails to take reasonable steps to do so. In that event, any "remediation costs" incurred by the Insurer shall be deemed incurred by the "insured", and shall be subject to the "self-insured retention" and Limits of Liability listed in the Declarations.
- E. Solely with respect to Subsection A. of Section I. Insuring Agreements, if during the "policy period" the "insured" becomes aware of a circumstance which may reasonably give rise to a "claim" covered under this Policy, and the "insured" gives written notice to the Insurer during the "policy period" of:
1. The names of the potential claimants;
  2. Details of the alleged "wrongful act", error or omission in the performance of "covered professional services";
  3. The identity of the "insured" allegedly involved;
  4. The specific nature and extent of the type of "professional loss" which may have been sustained;
  5. Details on how the "insured" became aware of such circumstances;

Then any "claim" which arises out of such "professional loss" shall be deemed to have been first made at the time such written notice was received by the Insurer. No coverage will be afforded for any fees, expenses and other costs associated with the investigation of a circumstance prior to a "claim" being made.

#### **VIII. EXTENDED REPORTING PERIOD – ONLY APPLICABLE TO INSURING AGREEMENT A.**

- A. The "first named insured" shall be entitled to a basic "extended reporting period" and may purchase an optional supplemental "extended reporting period", following Non-Renewal or Cancellation, as described in Subsection A. of Section IX. General Conditions.
- B. "Extended reporting periods" shall not reinstate or increase any of the Limits of Liability. "Extended reporting periods" shall not extend the "policy period" or change the scope of coverage provided. Instead, a "claim" first made against an "insured" during the "policy period", or subsequent to the "policy period" but during an "extended reporting period", and reported to the Insurer within an "extended reporting period" will be deemed to have been made and reported on the last day of the "policy period".
- C. The "first named insured" shall have a sixty (60) day basic "extended reporting period" without additional charge.
- D. The "first named insured" shall be entitled to purchase a supplemental "extended reporting period" of up to thirty-four (34) months for not more than 200% of the full Premium shown in Item 6. of the Declarations. Such supplemental "extended reporting period" starts when the basic "extended reporting period" ends. The Insurer will issue an endorsement providing a supplemental "extended reporting period" provided that the "first named insured":
1. Makes a written request to the address shown in Item 7.b. of the Declarations for such endorsement which must be received by the Insurer within sixty (60) days following the expiration of the "policy period"; and
  2. Pays the additional Premium when due. If that additional Premium is paid when due, the supplemental "extended reporting period" may not be cancelled, provided that all other terms and conditions of the Policy are met.

#### **IX. GENERAL CONDITIONS**

##### **A. Cancellation**

1. This Policy may be cancelled only by the "first named insured", or through the "first named insured's" agent, by mailing to the Insurer, at the address listed in Item 7.b. of the Declarations, written notice

stating when such cancellation shall be effective. In the event of cancellation by the "first named insured", the minimum earned Premium percentage indicated on the Declarations shall apply as of the date coverage is bound.

**2. This Policy may be cancelled by the Insurer for the following reasons:**

- a. Non-payment of Premium;
- b. Fraud or misrepresentation on the part of any "insured", such as can be proven in a court of law;
- c. Material change in the "covered professional services" and/or "covered operations" from the description identified in the Application to this Policy and supporting materials which results in a material increase in the likelihood or severity of "claims" or "pollution conditions";

By mailing to the "first named insured" at the "first named insured's" last known address, written notice stating when, not less than sixty (60) days thereafter, fifteen (15) days if cancellation is for non-payment of any unpaid portion of the Premium, such cancellation shall be effective. The mailing of notice shall be sufficient proof of notice. The effective date and hour of cancellation stated in the notice shall be the end of the "policy period".

**B. Inspection and Audit**

To the extent of the "insured's" ability to provide such access, and with reasonable notice to the "insured", the Insurer shall be permitted, but not obligated, to inspect the "insured's" property and/or operations. Neither the Insurer's right to make inspections, nor the making of said inspections, nor any report thereon, shall constitute an undertaking, on behalf of or for the benefit of the "insured" or others, to determine or warrant that such property or operations are safe or in compliance with applicable laws.

The Insurer may examine and audit the "insured's" books and records during this "policy period" and extensions thereof and within three (3) years after the final termination of this Policy.

**C. Legal Action Against the Insurer**

No person or organization, other than an "insured", has a right under this Policy to:

1. Join the Insurer as a party or otherwise bring the Insurer into a suit against any "insured"; or
2. Sue the Insurer in connection with this insurance unless all of the Policy terms have been fully complied with.

A person or organization may sue the Insurer to recover after an agreed settlement or on a final judgment against an "insured". However, the Insurer will not be liable for amounts that are not payable under the terms of this Policy or that are in excess of the applicable Limit of Liability. An agreed settlement means a settlement and release of liability signed by the Insurer, the "insured", and the claimant or the claimant's legal representative.

**D. Bankruptcy**

Bankruptcy or insolvency of the "insured" or of the "insured's" estate shall not relieve the Insurer of any of its obligations hereunder.

**E. Subrogation**

In the event of any payment under this Policy by the Insurer, the Insurer shall be subrogated to all of the rights of recovery against any person or organization, and the "insured(s)" shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The "insured(s)" shall do nothing to prejudice such rights. Any recovery as a result of subrogation proceedings arising under this Policy shall accrue first to the "insured(s)" to the extent of any payments in excess of the limit of coverage; then to the Insurer to the extent of its payment under the Policy; and then to the "insured" to the extent of the "self-insured retention." Expenses incurred in such subrogation proceedings shall be apportioned among the interested parties to the recovery in the proportion that each interested party's share in the recovery bears to the total recovery.

## **F. Representations**

By accepting this Policy, the "first named insured" agrees that:

1. The statements in the Declarations, Schedules, and Application for this Policy are accurate and complete;
2. Those statements are based upon representations the "first named insured" made to the Insurer; and
3. This Policy has been issued in reliance upon the "first named insured's" representations.

## **G. Separation of Insureds**

Except with respect to the Limits of Liability, Cancellation Conditions **2.a.** and **2.b.**, and any obligations specifically assigned to the "first named insured", this Policy applies:

1. As if each "insured" were the only "insured"; and
2. Separately to each "insured" against whom a "claim" is made.

## **H. Other Insurance**

If other valid and collectible insurance is available to the "insured" covering a "professional loss" or "loss" also covered by this Policy, other than a policy that is specifically written to apply in excess of this Policy, the insurance afforded by this Policy shall apply in excess of and shall not contribute with such other insurance.

## **I. Jurisdiction and Venue**

It is agreed that in the event of the failure of the Insurer to pay any amount claimed to be due hereunder, the Insurer and the "insured" will submit to the jurisdiction of the State of New York and will comply with all requirements necessary to give such court jurisdiction. Nothing in this clause constitutes, or should be understood to constitute, a waiver of the Insurer's right to remove an action to a United States District Court.

## **J. Choice of Law**

All matters arising hereunder including questions relating to the validity, interpretation, performance, and enforcement of this Policy shall be determined in accordance with the law and practices of the State of New York.

## **K. Changes and Assignment**

Notice to or knowledge possessed by any person shall not affect waiver or change in any part of this Policy or estop the Insurer from asserting any right under the terms of this Policy. The terms, definitions, conditions, exclusions and limitations of this Policy shall not be waived or changed, and no assignment of any interest under this Policy shall bind the Insurer, except as provided by endorsement and attached to this Policy, signed by the Insurer or its authorized representative.

## **L. Headings**

The descriptions in the headings and sub-headings of this Policy are inserted solely for convenience and do not constitute any part of the terms or conditions hereof.

## MINNESOTA CHANGES - CANCELLATION AND NONRENEWAL

Named Insured <b>Blattner Holding Company</b>			Endorsement Number <b>001</b>
Policy Symbol <b>COO</b>	Policy Number <b>G23902138 001</b>	Policy Period <b>03/01/2008 - 03/01/2009</b>	Effective Date of Endorsement <b>03/01/2008</b>
Issued By (Name of Insurance Company) <b>ACE American Insurance Company</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

If the policy or coverage part to which this endorsement applies contains cancellation or nonrenewal provisions more favorable to the Named Insured than this endorsement, then those provisions apply.

**I. The CANCELLATION Condition is replaced by the following:**

**A. CANCELLATION**

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy, subject to the provisions of **A.3.** below, by first class mailing, or by delivery, of a written notice of cancellation to the first Named Insured and any agent, to their last mailing addresses known to us. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

**3. Policies In Effect**

**a. Less than 90 days**

If this policy is a new policy and has been in effect for fewer than 90 days, we may cancel for any reason by giving notice at least:

1. 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
2. 30 days before the effective date of cancellation, if we cancel for any other reason.

**b. 90 Days Or More**

If this policy has been in effect for 90 days or more, or if it is a renewal of policy we issued, we may cancel only for one or more of the following reasons:

1. Nonpayment of premium;
2. Misrepresentation or fraud made by you or with your knowledge in obtaining the policy or in pursuing a claim under the policy;
3. An act or omission by you that substantially increases or changes the risk insured;
4. Refusal by you to eliminate known conditions that increase the potential for loss after notification by us that the condition must be removed;
5. Substantial change in the risk assumed, except to the extent that we should reasonably have foreseen the change or contemplated the risk in writing the contract;
6. Loss of reinsurance by us which provided coverage to us for a significant amount of the underlying risk insured. Any notice of cancellation pursuant to this item shall advise the policyholder that he or she has 10 days from the date of receipt of the notice to appeal the cancellation to the commissioner of commerce and that the commissioner will render a decision as to whether the cancellation is justified because of the loss of reinsurance within 30 business days after receipt of the appeal;



7. A determination by the commissioner that the continuation of the policy could place us in violation of the Minnesota insurance laws; or
8. Nonpayment of dues to an association or organization, other than an insurance association or organization, where payment of dues is a prerequisite to obtaining or continuing such insurance. This provision for cancellation for failure to pay dues shall not be applicable to persons who are retired at 62 years of age or older or who are disabled according to social security standards.

Under this item **A.3.b.**, will give notice at least:

- (1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium. The cancellation notice shall contain the information regarding the amount of premium due and the due date, and shall state the effect of nonpayment by the due date. Cancellation shall not be effective if payment of the amount due is made prior to the effective date of cancellation; or
  - (2) 60 days before the effective date, if we cancel for a reason described in **A.3.b.(2)** through **(8)** above. The notice of cancellation will state the reason for cancellation.
4. If this policy is canceled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
  5. Proof of mailing of any notice shall be sufficient proof of notice.

**B.** The following supersedes any provisions to the contrary:

**NONRENEWAL**

If we decide not to renew this policy, we may do so by giving the first Named Insured and any agent written notice of our intent not to renew at least 60 days before the expiration date of this policy. Such notice will be delivered or mailed by first class mail to their last mailing addresses known to us.

Proof of mailing of any notice shall be sufficient proof of notice.

We need not mail or deliver this notice if you have:

1. Insured elsewhere;
2. Accepted replacement coverage; or
3. Agreed not to renew this policy.

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Authorized Agent

## ADDITIONAL NAMED INSURED(S) ENDORSEMENT – PROFESSIONAL & POLLUTION

Named Insured <b>Blattner Holding Company</b>			Endorsement Number <b>002</b>
Policy Symbol <b>COO</b>	Policy Number <b>G23902138 001</b>	Policy Period <b>03/01/2008 - 03/01/2009</b>	Effective Date of Endorsement <b>03/01/2008</b>
Issued By (Name of Insurance Company) <b>ACE American Insurance Company</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Premium increase/(reduction) \$0.00

In consideration of the indicated adjustment of premium, the "insured" and the Insurer hereby agree to the following changes to this Policy:

The person or organization listed below shall be considered an additional "named insured" under this Policy, but only with respect to liability arising out of the "covered professional services" and/or "covered operations" shown in the Declarations of this Policy, or any other "covered professional services" and/or "covered operations" added to this Policy by endorsement.

Additional "Named Insured(s)":

**Blattner Construction, LTD.**

**Borea Construction ULC**

**D.H. Blattner & Sons, Inc.**

All other terms and conditions of this Policy remain unchanged.

\_\_\_\_\_  
Authorized Representative

## ADDITIONAL INSURED DEFENSE ENDORSEMENT – PROFESSIONAL & POLLUTION

Named Insured <b>Blattner Holding Company</b>			Endorsement Number <b>003</b>
Policy Symbol <b>COO</b>	Policy Number <b>G23902138 001</b>	Policy Period <b>03/01/2008 - 03/01/2009</b>	Effective Date of Endorsement <b>03/01/2008</b>
Issued By (Name of Insurance Company) <b>ACE American Insurance Company</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The "insured" and the Insurer hereby agree to the following changes to this Policy:

- I. The entity(s) listed below shall be considered an "additional insured(s)" under this Policy, but only with respect to liability arising out of "covered professional services" and/or "covered operations" shown in the Declarations of the Policy performed by or on behalf of the "named insured(s)".

Additional insured(s):

**Blattner Investment, Inc.**  
**Blattner Canada, Inc.**  
**Blattner Wind LLC**

- II. Solely with respect to the "additional insured(s)" noted above, no "professional loss" or "loss" may be reported to the Insurer pursuant to Section VII., **REPORTING AND COOPERATION**, of this Policy. All "professional loss" or "loss" must be reported by the "first named insured" or "named insured(s)".

All other terms and conditions of this Policy remain unchanged.

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Authorized Representative

## CPL.EO.OCC AUTOMOBILE ENDORSEMENT with SUBLIMIT

Named Insured <b>Blattner Holding Company</b>			Endorsement Number <b>004</b>
Policy Symbol <b>COO</b>	Policy Number <b>G23902138 001</b>	Policy Period <b>03/01/2008 - 03/01/2009</b>	Effective Date of Endorsement <b>03/01/2008</b>
Issued By (Name of Insurance Company) <b>ACE American Insurance Company</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The "insured" and the Insurer hereby agree to the following changes to this Policy:

- I. Section VI., **EXCLUSIONS**, Subsection U., **Vehicles**, of this Policy is hereby deleted in its entirety and replaced with the following:

#### **Vehicles**

"Pollution conditions" arising from the use, maintenance or operation of an automobile, aircraft, watercraft, or other conveyance. This exclusion shall not apply to the use of vehicles reasonably related to the "covered operations" of the "insured", including loading or unloading, within the boundaries of the locations where "covered operations" are being performed. or during the course of transportation via automobile by or on behalf of the "named insured" to or from locations where "covered operations" are being performed.

- II. Sublimit of Liability applicable to coverage afforded under this Endorsement:

\$ 5,000,000 Per Pollution Condition (including any legal costs).

The Sublimit of Liability identified above shall be subject to the Aggregate Limit of Liability identified in the Declarations to this Policy. Under no circumstance shall the Insurer be liable to pay any amount in excess of the Aggregate Limit of Liability.

All other terms and conditions of this Policy remain unchanged.

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Authorized Representative

## ASBESTOS AMENDATORY ENDORSEMENT

Named Insured <b>Blattner Holding Company</b>			Endorsement Number <b>005</b>
Policy Symbol <b>COO</b>	Policy Number <b>G23902138 001</b>	Policy Period <b>03/01/20087 - 03/01/2009</b>	Effective Date of Endorsement <b>03/01/2008</b>
Issued By (Name of Insurance Company) <b>ACE American Insurance Company</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The "insured" and the Insurer hereby agree to the following changes to this Policy:

Section VI., **EXCLUSIONS**, Subsection A., **Asbestos**, of this Policy is hereby deleted in its entirety.

All other terms and conditions of this Policy remain unchanged.

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Authorized Representative

## CPL.EO.OCC FUNGI (CLAIMS MADE COVERAGE) ENDORSEMENT

Named Insured <b>Blattner Holding Company</b>			Endorsement Number <b>006</b>
Policy Symbol <b>COO</b>	Policy Number <b>G23902138 001</b>	Policy Period <b>03/01/2008 - 03/01/2009</b>	Effective Date of Endorsement <b>03/01/2008</b>
Issued By (Name of Insurance Company) <b>ACE American Insurance Company</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**THIS ENDORSEMENT PROVIDES COVERAGE ON A CLAIMS-MADE BASIS AND COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED, AND REPORTED TO THE INSURER, IN WRITING, DURING THE POLICY PERIOD.**

The "insured" and the Insurer hereby agree to the following changes to this Policy:

Retroactive Date: **March 1<sup>st</sup>, 2008**

**\$ 5,000,000** shall be the Aggregate Sublimit of Liability for all "loss" arising from or related to "fungi".

- I. Section VI., **EXCLUSIONS**, Subsection J., **Fungi**, of this Policy is hereby deleted in its entirety.
- II. Section V., **DEFINITIONS**, Subsection T., of this Policy is hereby deleted in its entirety and replaced with the following:

**"Pollution condition"** means the discharge, dispersal, release, escape, migration, or seepage of any solid, liquid, gaseous or thermal irritant, contaminant or pollutant, including smoke, soot, vapors, fumes, acids, alkalis, chemicals, "fungi", hazardous substances, hazardous materials, or waste materials, on, in, into, or upon land and structures thereupon, the atmosphere, surface water or groundwater. For the purpose of this definition, waste materials includes, but is not limited to "low level radioactive waste" and "mixed waste".

- III. Solely with respect to all "claims" arising out of or in anyway related to a "pollution condition" involving, in whole or part, the actual, alleged, or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi", regardless of whether any other cause, event, material, or product contributed concurrently or in any sequence to such injury or damage:

A. The Insurer agrees to pay on behalf of the "insured" all "loss" incurred in excess of a **\$100,000** "self-insured retention" amount which the "insured" becomes legally obligated to pay, resulting from "claims" arising from "fungi" resulting from "covered operations".

B. This insurance shall only apply if:

1. The "claim" is first made against the "insured" and reported to the Insurer, in writing, during the "policy period"; and
2. The "covered operations" which result in a "claim" first commence on or after the Retroactive Date, if any, shown above or before the end of the "policy period". If no Retroactive Date is shown above, the "covered operations" must first commence during the "policy period".

- IV. For the purpose of this endorsement only, Section V., **DEFINITIONS**, Subsection G., of this Policy is hereby deleted in its entirety and replaced with the following:

**"Extended reporting period"** means the additional period of time in which to report a "claim" for "loss" or "professional loss" first made against the "insured" during or subsequent to the end of the "policy period" arising from "pollution condition(s)" resulting from "covered operations" to which this insurance applies.

V. For the purpose of this endorsement only, Section **VIII., EXTENDED REPORTING PERIOD**, of this Policy applies to both Insuring Agreement **A.** and "claims" arising from or related to "fungi".

All other terms and conditions of this Policy remain unchanged.

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Authorized Agent

## TRADE OR ECONOMIC SANCTIONS ENDORSEMENT

Named Insured <b>Blattner Holding Company</b>			Endorsement Number <b>007</b>
Policy Symbol <b>COO</b>	Policy Number <b>G23902138 001</b>	Policy Period <b>03/01/2008 - 03/01/2009</b>	Effective Date of Endorsement <b>03/01/2008</b>
Issued By (Name of Insurance Company) <b>ACE American Insurance Company</b>			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims. All other terms and conditions of policy remain unchanged.

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Authorized Agent



## SIGNATURE ENDORSEMENT

Named Insured <b>Blattner Holding Company</b>			Endorsement Number <b>008</b>
Policy Symbol <b>COO</b>	Policy Number <b>G23902138 001</b>	Policy Period <b>03/01/2008 - 03/01/2009</b>	Effective Date of Endorsement <b>03/01/2008</b>
Issued By (Name of Insurance Company) <b>ACE American Insurance Company</b>			

THE ONLY SIGNATURES APPLICABLE TO THIS POLICY ARE THOSE REPRESENTING THE COMPANY NAMED ON THE FIRST PAGE OF THE DECLARATIONS.

By signing and delivering the policy to you, we state that it is a valid contract.

**INDEMNITY INSURANCE COMPANY OF NORTH AMERICA**  
436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106

**BANKERS STANDARD FIRE AND MARINE COMPANY**  
436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106

**BANKERS STANDARD INSURANCE COMPANY**  
436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106

**ACE INDEMNITY INSURANCE COMPANY**  
436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106

**ACE AMERICAN INSURANCE COMPANY**  
436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106

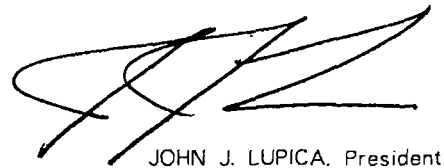
**ACE PROPERTY AND CASUALTY INSURANCE COMPANY**  
436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106

**INSURANCE COMPANY OF NORTH AMERICA**  
436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106

**PACIFIC EMPLOYERS INSURANCE COMPANY**  
436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106

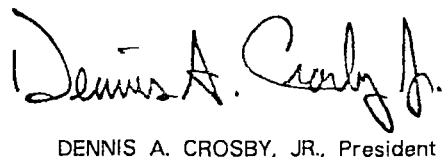
**ACE FIRE UNDERWRITERS INSURANCE COMPANY**  
436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106

  
GEORGE D. MULLIGAN, Secretary

  
JOHN J. LUPICA, President

**WESTCHESTER FIRE INSURANCE COMPANY**  
1325 Avenue of the Americas, 19th Floor, New York, NY 10019

  
GEORGE D. MULLIGAN, Secretary

  
DENNIS A. CROSBY, JR., President

## TERRORISM RISK INSURANCE ACT ENDORSEMENT

Named Insured <b>Blattner Holding Company</b>			Endorsement Number <b>009</b>
Policy Symbol <b>COO</b>	Policy Number <b>G23902138 001</b>	Policy Period <b>03/01/2008 to 03/01/2009</b>	Effective Date of Endorsement <b>03/01/2008</b>
Issued By (Name of Insurance Company) <b>ACE American Insurance Company</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Terrorism Premium (Certified Acts of Terrorism): **\$1,941**

In consideration of the additional premium indicated above, which is included in the Premium as listed on the Declarations, the "insured" and the Insurer, hereby agree to the following Policy change(s):

- A. With respect to any "hostile acts" or "terrorism" exclusions contained in this Policy, or attached to this Policy by endorsement, such exclusions do not apply to a "certified act of terrorism", as defined in Paragraph C., below.
- B. With respect to any one or more "certified acts of terrorism", the Insurer will not pay any amounts for which the Insurer is not responsible under the terms of the federal Terrorism Risk Insurance Act ("TRIA"), due to the application of any clause which results in a cap on the Insurer's liability for payments for terrorism losses.
- C. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to TRIA. The criteria contained TRIA for a "certified act of terrorism" include the following:
  - 1. The act resulted in insured losses in excess of \$5 million attributable to all types of insurance subject to TRIA; and
  - 2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- D. Notwithstanding any coverage that may otherwise be afforded for punitive damages under this Policy, if any, coverage shall not be afforded for damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.
- E. The coverage afforded under this endorsement shall expire at the earlier of the following dates:
  - 1. The end of the "policy period", as indicated on the Declarations; or
  - 2. December 31, 2014.
- F. The premium for "certified acts of terrorism" coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in TRIA. The federal program established by TRIA is scheduled to terminate at the end of December 31, 2014, unless extended by the federal government.

- G. If this "policy period" extends beyond December 31, 2014, please note that the TRIA premium, above, is premised on the parties' assumption that TRIA will later be extended through the end of the "policy period", thereby mandating that Insurer make available coverage for "certified acts of terrorism" for the entire "policy period". In the event that TRIA is not extended beyond December 31, 2014, or otherwise expires at some point during the "policy period", the Insurer will refund the unearned portion of our TRIA premium to the insured on a pro-rata basis. In the event that new TRIA extension or replacement legislation is enacted requiring the Insurer to offer coverage for terrorism that is materially different than the coverage requirements included in the current version of TRIA that expires on December 31, 2014, the Insurer reserves the right to re-price and prospectively modify terrorism coverage to conform with the statutory requirements and risks presented by any such new legislation.

All other terms and conditions of the policy remain unchanged.

---

Authorized Agent

## DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

Named Insured <b>Blattner Holding Company</b>			Endorsement Number <b>010</b>
Policy Symbol <b>COO</b>	Policy Number <b>G23902138 001</b>	Policy Period <b>03/01/2008 to 03/01/2009</b>	Effective Date of Endorsement <b>03/01/2009</b>
Issued By (Name of Insurance Company) <b>ACE American Insurance Company</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

### Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in this endorsement or in the policy Declarations.

### Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

### Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Terrorism Risk Insurance Act premium: **\$1,941.**

---

Authorized Agent



## **ACE Producer Compensation Practices & Policies**

ACE believes that policyholders should have access to information about ACE's practices and policies related to the payment of compensation to brokers and independent agents. You can obtain that information by accessing our website at <http://www.aceproducercompensation.com> or by calling the following toll-free telephone number: 1-866-512-2862.



ACE USA

# Information and Complaints

This information is being provided to you pursuant to the requirements of Articles 1.35, 1.35D and 21.71 of the Texas Insurance Code relating to our Toll Free information and complaint number.

## IMPORTANT NOTICE

To obtain information or make a complaint:

You may call the Company's toll-free telephone number for information or to make a complaint at:

**1-(800) 352-4462**

You may also write to the Company at:

ACE USA  
Customer Services, TL35D  
P.O. Box 41484  
Philadelphia, PA 19101-1484

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

**1-(800) 252 3439**

You may write the Texas Department of Insurance

P. O. Box 149104  
AUSTIN, TEX 78714-9104  
FAX # (512) 475-1771

**PREMIUM OR CLAIM DISPUTES:** Should you have a dispute concerning your premium or about a claim you should contact your agent or the company first. If the dispute is not resolved you may contact the Texas Department of Insurance.

**ATTACH THIS NOTICE TO YOUR POLICY:** This notice is for information only and does not become a part or condition of the attached document.

## AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de la Compania para informacion o para someter una queja al:

**1 (800) 352-4462**

Usted tambien puede escribir a la Compania:

ACE USA  
Customer Services, TL35D  
P.O. Box 41484  
Philadelphia, PA 19101-1484

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

**1 (800) 252-3439**

Puede escribir al Departamento de Seguros de Texas

P.O. Box 149104  
AUSTIN, TX 78714-9104  
FAX # (512) 475-1771

**DISPUTAS SOBRE PRIMAS O RECLAMOS:** Si tiene una disputa concerniente a su prima o un reclamo, debe comunicarse con el agente o la compania primero. Si no se resuelve la disputa puede entonces comunicarse con el departamento de Seguros en Texas

**UNA ESTE AVISO A SU POLIZA:** Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.



**ace usa**

## **QUESTIONS ABOUT YOUR INSURANCE?**

Answers to questions about your insurance, coverage information, or assistance in resolving complaints can be obtained by calling ACE USA, Customer Support Service Department, at 1-800-352-4462.

# U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site -- <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.



1990 Costs

Insurance - Property & Liability 92,737.17

Labor (Hourly (if any), Non Ex. (str & O.T.), & Ex.

Eng/ Geol 116,244.71

Environmental/Safety 45,403.67

Administration 192,489.57

373,937.95

Payroll Taxes on Above 36,851.33

Power - (All Departments) 301,844.87  
(Mill General only) 301,308.37

Operating Supplies (General, Fuel & Lub, Office)

Eng/ Geol 15,446.15

Environmental 18,138.48

Administration 39,949.74

73,534.37

**BROHM MINING CORP.**  
GILT EDGE RD., FDR170 TELEPHONE (605) 578-2107  
P.O. BOX 485  
DEADWOOD, SD 57732

NORWEST BANK  
SOUTH DAKOTA, N.A.  
721 MAIN P.O. BOX 628  
DEADWOOD, SD 57732

07095


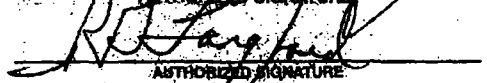
CHECK DATE	CONTROL NUMBER	CHECK AMOUNT
07/13/90	007095	\$*****91067.00

PAY Ninety-One Thousand Sixty-Seven and 00/100 dollars

TO THE  
ORDER  
OF

COBURN INSURANCE  
P.O. Box 507  
Deadwood

SD 57783

  
AUTHORIZED SIGNATURE  
  
AUTHORIZED SIGNATURE

⑈007095⑈ ⑆091400570⑆ Q5 024619⑈

⑈0009106700⑈

1990 Costs

Insurance - Property & Liability 92,737.17

Labor (Hourly (if any), Non Ex. (Str + O.T.), + Ex.

Eng/ Geol 116,244.71

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GILT EDGE RD., FDR170 TELEPHONE (805) 578-2107  
P.O. BOX 485  
DEADWOOD, SD 57732

NORWEST BANK  
SOUTH DAKOTA, N.A.  
721 MAIN P.O. BOX 528  
DEADWOOD, SD 57732

07095


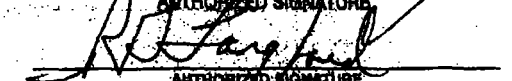
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07/13/90	007095	\$*****91067.00

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TO THE  
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SD 57783

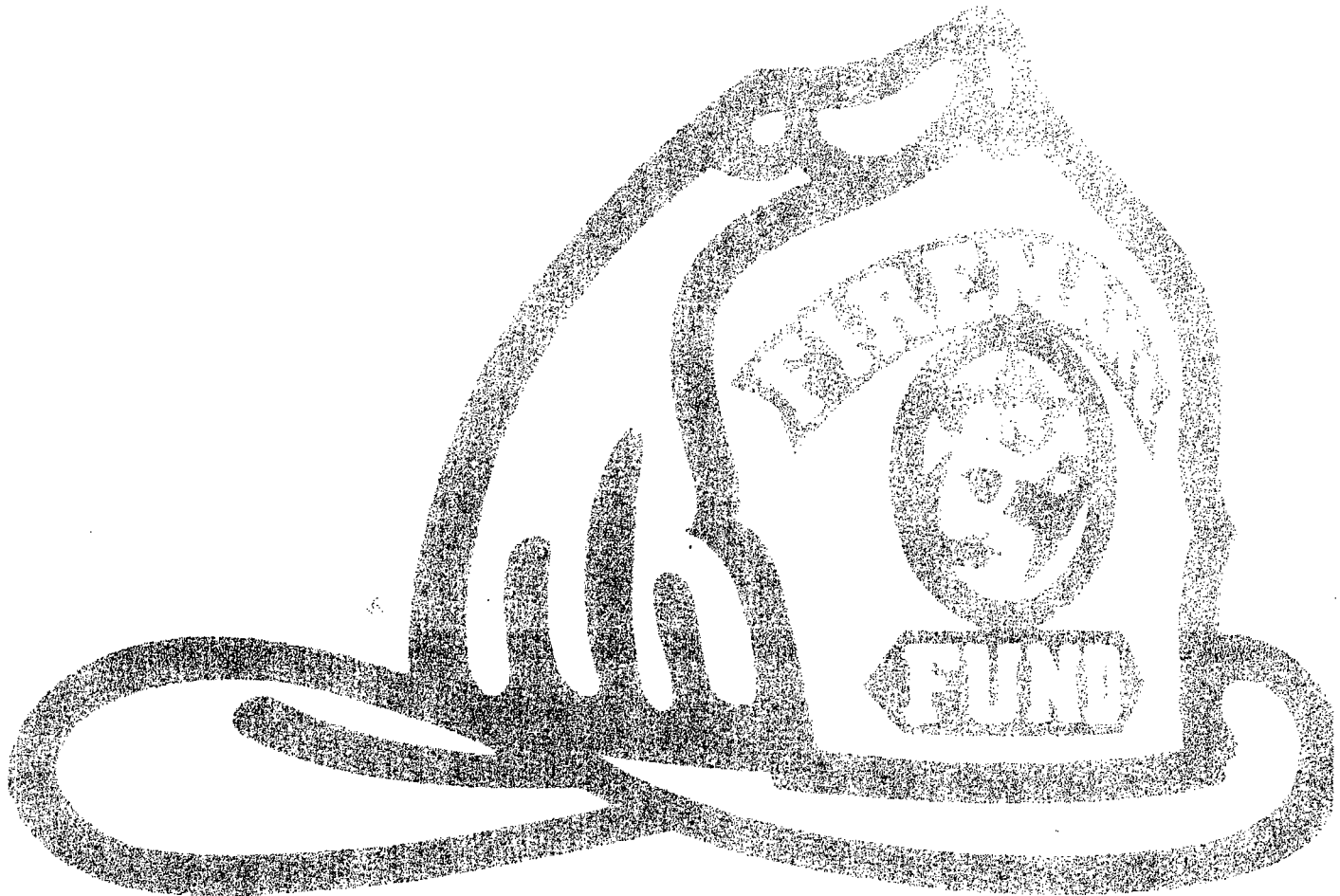
  
AUTHORIZED SIGNATURE  
  
AUTHORIZED SIGNATURE

⑈007095⑈ ⑆091400570⑆ 05 024619⑈

⑈0009106700⑈

# COMMERCIAL INSURANCE POLICY

THIS POLICY PROVIDES INSURANCE ONLY FOR THOSE COVERAGES SPECIFICALLY INDICATED IN THE DECLARATIONS.



**FIREMAN'S FUND  
INSURANCE COMPANIES**

Mailing Address:

Novato, California

NEW BOX 176 (from #16 11/24/08)

COBURN INSURANCE AGENCY  
83 SHERMAN • BOX 507  
DEADWOOD, SOUTH DAKOTA 57732

PHONE (605) 578-3456  
FAX (605) 578-3462

KEVIN C. CUMMINGS, CIC  
President

November 2, 1990

**Brohm Mining Corp.**  
P.O. Box 485  
Deadwood, SD 57732

Re: **Precious Metals Policy**  
#268MXI80238289

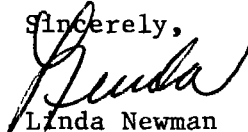
Attached is the renewal of your Precious Metals Policy.

There is a change in the way this will be billed. You will continue to report the values on a monthly basis, but you will be billed on a quarterly basis. Also, the deposit premium of \$3,000 will be used as a working deposit which means each quarterly billing will be subtracted from the deposit until it is used up. You will not be billed until the \$3,000 is used up.

I am also attaching more reporting forms. Please keep it in mind that the report be done each month. It is very important that the reports be done on a timely basis and sent to this office. If you need more forms, please let me know.

Let me know if you have any questions or problems.

Sincerely,

  
Linda Newman

Encl.

Where insurance is a business . . . not a sideline.





## Table of Contents

**POLICY NUMBER 2 68 MXI 80238289**

**Named Insured  
BROHM MINING CORP.**

**Producer  
COBURN INSURANCE AGENCY  
P. O. BOX 507  
DEADWOOD SD 57732**

This policy contains the following sections:

Section	Pages
General Declarations .....	GD - 1 to GD - 2
Inland Marine Declarations.....	IM - 1 to IM - 3



POLICY NUMBER  
2 68 MXI 80238289

Previous Policy Numbers  
2 68 MXI 80187485

Coverage for policies  
other than WORKERS'  
COMPENSATION is provided  
in the following company  
FIREMAN'S FUND  
INSURANCE COMPANY  
NOVATO, CA 94998  
A STOCK INSURANCE CO. (01)

**GENERAL DECLARATIONS**

RISK ID. S99/

Named Insured and Mailing Address

**BROHM MINING CORP.**

P. O. BOX 485  
DEADWOOD SD 57732

Producer Name and Address

**COBURN INSURANCE AGENCY**

P. O. BOX 507  
DEADWOOD SD 57732

The Named Insured is a(n) CORPORATION

Business or Operations of the Named Insured: MAIL INSURANCE

The insurance provided by this policy consists of the following coverage form(s). The premium may be subject to adjustment. In return for payment of the premium and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

**INLAND MARINE COVERAGES**

Policy Period (For above coverage(s))

Policy Period is from 10-06-90 to 10-06-91 12:01 A.M., Standard Time  
at the mailing address of the insured.

**PREMIUM SUMMARY:**

Estimated Annual Premium	\$3,000.00	
Premium Due at Inception	\$3,000.00	DEPOSIT

**LOCATION OF PREMISES**

LOC.

001 7 MILES S. OF DEADWOOD ON HWY 385  
DEADWOOD SD



POLICY NUMBER 2 68 MXI 80238289

Named Insured  
BROHM MINING CORP.

FORMS ATTACHED AT INCEPTION

GENERAL PROVISIONS

IL0003 11-85

IL0017 11-85

INLAND MARINE

CM0207 01-89  
140559 12-86  
140866 02-86

MI3000 09-88  
140861 04-85

Countersignature of Authorized Agent:



Date 10/19/90

Producer COBURN INSURANCE AGENCY  
P. O. BOX 507  
DEADWOOD

SD 57732

## Calculation Of Premium - IL 00 03 11 85

Policy Amendment - General Provisions

**This endorsement modifies insurance provided under the following:**

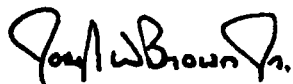
**Property Coverage**  
**Crime Coverage**  
**Inland Marine Coverage**  
**General Liability Coverage**  
**Automobile Coverage**  
**Farm Coverage**

All Coverage Parts included in this policy are subject to the following conditions.

The premium shown in the Declarations was computed based on rates in effect at the time the policy was

issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



\_\_\_\_\_  
President

# Common Policy Conditions - IL 00 17 11 85

Policy Amendment - General Provisions

This endorsement modifies insurance provided under the following:

Property Coverage  
Crime Coverage  
Inland Marine Coverage  
General Liability Coverage  
Automobile Coverage  
Farm Coverage

All Coverage Parts included in this policy are subject to the following conditions.

## A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If

we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

6. If notice is mailed, proof of mailing will be sufficient proof of notice.

## B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

## C. Examination of Your Books and Records

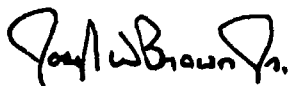
We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

## D. Inspections and Surveys

We have the right but are not obligated to:

1. Make inspections and surveys at any time;

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the Fireman's Fund Insurance Companies as named in the policy



President

2. Give you reports on the conditions we find; and

3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

#### **E. Premiums**

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

#### **F. Transfer of Your Rights and Duties Under This Policy.**

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

POLICY NUMBER 2 68 MXI 80238289

NAMED INSURED  
BROHM MINING CORP.

### INLAND MARINE DECLARATIONS

INSURANCE IS PROVIDED ONLY FOR THOSE COVERAGES, LIMITS OF INSURANCE OR LIABILITY OR AMOUNTS OF INSURANCE AND ENDORSEMENTS SHOWN BELOW.

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#### OTHER INLAND MARINE - MAIL COVERAGE FORM - DECLARATION

THESE DECLARATIONS ARE ISSUED IN CONJUNCTION WITH AND ARE PART OF  
POLICY FORM MI 3000.

#### DECLARATIONS

4. LIMITS OF INSURANCE - COVERAGE APPLIES ONLY TO THE TYPE OF MAILING  
FOR WHICH LIMIT IS SHOWN.

ANY ONE SHIPPING  
PACKAGE

ANY ONE ADDRESSEE  
ON ANY ONE DAY

#### A. REGISTERED MAIL

##### COVERED PROPERTY

1.A.(1) NONNEGOTIABLE	\$	
NEGOTIABLE	\$	
1.A.(2)	\$	
1.A.(3) NONNEGOTIABLE	\$	
NEGOTIABLE	\$	
1.B.(2) BULLION & PRECIOUS	\$ 500,000.	\$ 1,000,000.
1.B.(3) METALS		

OUR MAXIMUM LIABILITY FOR ALL COVERED PROPERTY TO ANY ONE ADDRESSEE  
ON ANY ONE DAY BY REGISTERED MAIL IS \$ 1,000,000.

#### B. FIRST CLASS MAIL

##### COVERED PROPERTY

1.A.(1) NONNEGOTIABLE	\$	\$
NEGOTIABLE	\$	\$
1.A.(2)	\$	\$
1.A.(3) NONNEGOTIABLE	\$	\$
NEGOTIABLE	\$	\$

OUR MAXIMUM LIABILITY FOR ALL COVERED PROPERTY TO ANY ONE ADDRESSEE  
ON ANY ONE DAY BY FIRST CLASS MAIL IS \$ NO COVERAGE

#### C. CERTIFIED MAIL

POLICY NUMBER 2 68 MXI 80238289

NAMED INSURED  
BROHM MINING CORP.

---

MAIL COVERAGE FORM - DECLARATION

COVERED PROPERTY

1.A.(1) NONNEGOTIABLE	\$	\$
NEGOTIABLE	\$	\$
1.A.(2)	\$	\$
1.A.(3) NONNEGOTIABLE	\$	\$
NEGOTIABLE	\$	\$

OUR MAXIMUM LIABILITY FOR ALL COVERED PROPERTY TO ANY ONE ADDRESSEE  
ON ANY ONE DAY BY CERTIFIED MAIL IS \$ NO COVERAGE

D. USPS EXPRESS MAIL

COVERED PROPERTY

1.A.(1) NONNEGOTIABLE	\$	\$
NEGOTIABLE	\$	\$
1.A.(2)	\$	\$
1.A.(3) NONNEGOTIABLE	\$	\$
NEGOTIABLE	\$	\$

OUR MAXIMUM LIABILITY FOR ALL COVERED PROPERTY TO ANY ONE ADDRESSEE  
ON ANY ONE DAY BY USPS EXPRESS MAIL IS \$ NO COVERAGE

5. THE FOLLOWING FORMS AND ENDORSEMENTS ARE ATTACHED TO AND MADE PART OF  
THIS POLICY:

---

MAIL COVERAGE FORM - PREMIUM DECLARATIONS

THESE DECLARATIONS ARE ISSUED IN CONJUNCTION WITH AND ARE A PART OF  
POLICY FORM MI 3000.

DECLARATIONS

I. NON-REPORTING FORM:

A. ANNUAL PREMIUM \$ FOR POLICY PERIOD

B. THIS ANNUAL PREMIUM IS BASED ON:

(1) TOTAL VALUES OF \$

POLICY NUMBER 2 68 MXI 80238289

NAMED INSURED  
BROHM MINING CORP.

---

MAIL COVERAGE FORM - PREMIUM DECLARATIONS

(2) TOTAL NUMBER OF SHIPPING PACKAGES

C. THE ANNUAL PREMIUM FOR ANY SUBSEQUENT POLICY PERIOD WILL BE  
COMPUTED ON COVERED PROPERTY MAILED DURING THE 12 MONTH PERIOD  
PRECEDING

D. MINIMUM PREMIUM: \$

II. REPORTING FORM

A. DEPOSIT PREMIUM: \$ 3,000.

B. ANNUAL MINIMUM PREMIUM: \$

C. REPORTING PERIOD: ANNUAL X MONTHLY

OTHER

D. PREMIUM BASE: TOTAL VALUES

TOTAL NO. OF SHIPPING PACKAGES

1.D BULLION AND PRECIOUS METALS: .21/1,000 OF VALUES SHIPPED PER MONTH  
.058/1,000 ON VALUES PER DAY IN STORAGE

**COMMERCIAL COVERAGE****POLICY AMENDMENT****INLAND MARINE INSURANCE****Mail Form****140861-04-85**

IF THE FOLLOWING INFORMATION IS NOT COMPLETE, REFER TO THE APPROPRIATE DECLARATIONS ATTACHED TO THE POLICY.

INSURED	POLICY NUMBER	SEQUENTIAL NO.
PRODUCER	EFFECTIVE DATE	

Effective on the date shown above this policy is converted to a policy issued on behalf of the Registered Mail Insurance Association of which the following insurance companies and their affiliates are subscribers:

Aetna Insurance Company  
The American Insurance Company  
Continental Casualty Company  
The Continental Insurance Company  
Fidelity and Deposit Company of Maryland  
Fireman's Fund Insurance Company  
Great American Insurance Company  
Hartford Fire Insurance Company  
American States Insurance Company

Maryland Casualty Company  
New Hampshire Insurance Company  
Reliance Insurance Company  
St. Paul Fire and Marine Insurance Company  
Transamerica Insurance Company  
The Travelers Indemnity Company  
United States Fidelity and Guaranty Company  
United States Fire Insurance Company

Notice to any one of these Subscribers concerning coverage under this policy will constitute notice to all Subscribers. All other terms and conditions remain unchanged.

This Form must be attached to Change Endorsement when issued after the Policy is written.

ONE OF THE FIREMAN'S FUND INSURANCE COMPANIES AS NAMED IN THE POLICY

11 XCL

*William H. Delaney*

PRESIDENT

STOCK NO. 140861-04-85



## Debris and Pollutant Removal Policy Amendment - 140866 02 86

Policy Amendment Commercial Inland Marine

Your policy is amended as follows:

1. The following Extension of Coverage is added. If your policy does not provide coverage for debris removal, this Extension of Coverage adds debris removal coverage. If your policy does provide debris removal coverage, any other debris removal coverage provided by your policy is deleted and replaced by this Extension of Coverage.

**Debris Removal.** We will pay your reasonable cost to remove the debris of insured property caused by or resulting from an insured peril which occurs during the policy period.

This coverage only applies if no later than 180 days from the date of loss or the end of the policy period, whichever comes first, you:

- (1) discover the loss, and
- (2) report the cost to us in writing.

We will pay up to 25% of the sum of:

- (1) the direct physical loss otherwise payable under the policy, and
- (2) the deductible.

Payments under this Debris Removal coverage will not increase the Limit of Liability applicable to the insured property.

**Debris Removal Additional Limit.** If your cost for debris removal exceeds the amount we pay under the Limit of Liability applicable to the insured property, we will pay up to the lesser of:

- (1) 10% of the applicable Limit of Liability; or
- (2) \$100,000

as an Additional Limit of Liability for debris removal.

We will not pay:

- (1) the cost to extract **POLLUTANTS** from land or water (except as provided under **Pollutant Removal** below);
- (2) the cost to repair, replace or restore property damaged or destroyed by debris removal;
- (3) the cost to remove debris from any location used for handling, treatment, storage or disposal of waste unless the policy is extended to cover property at that specifically identified location.

2. The following Extension of Coverage is added:

**Pollutant Removal.** We will pay your reasonable cost to extract **POLLUTANTS** from land or water. The release, discharge or dispersal of the **POLLUTANTS** must result from an insured loss and must occur during the policy period.

This coverage only applies if no later than 180 days from the date of loss or from the end of the policy period, whichever comes first, you:

- (1) discover the loss, and
- (2) report the cost to us in writing.

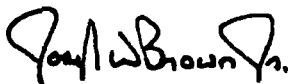
The most we will pay in any one loss is the lesser of:

- (1) 10% of the applicable Limit of Liability; or
- (2) \$10,000

Under this Extension of Coverage, the most we will pay for all claims for loss which occurs at any one location during the policy period is \$10,000.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



President

If this policy is written for a term of more than one year, we will apply this limit separately to each consecutive year of the policy period.

We will not pay:

- (1) the cost to repair, replace or restore property damaged or destroyed by extraction of **POLLUTANTS**;
- (2) the cost to extract **POLLUTANTS** from land or water:
  - (a) at any location used for the handling, treatment, storage or disposal of waste unless the policy has been specifically extended to cover property at that location;
  - (b) at any location if the **POLLUTANTS** are released, dispersed or discharged from a location which is used for the handling, treatment, storage or disposal of waste unless the policy has been specifically extended to cover property at that location;
  - (c) at any location if the **POLLUTANTS** arise out of or are a consequence of nuclear reaction or radiation, or radioactive contamination.

The Coinsurance provision, if any, in this policy does not apply to this Extension of Coverage.

3. The following exclusions are added:

#### **Ordinance or Law.**

We do not cover loss or damage caused by or resulting from the enforcement of any ordinance or law:

- (1) regulating the use or repair of any property; or
- (2) requiring the tearing down or removal of any property,

including the cost of removing its debris.

#### **Pollutants.**

We do not cover loss or damage caused by or resulting from the release, discharge or dispersal of **POLLUTANTS** unless the release, discharge or dispersal is caused by one of the perils listed below applying to the insured property. But we do cover loss caused by any of the following perils which results from the release, discharge or dispersal of **POLLUTANTS**.

Perils: Fire or Lightning;  
Explosion;  
Aircraft or Vehicles;  
Windstorm or Hail;  
Riot or Civil Commotion;  
Leakage from Fire Extinguishing Equipment;  
Volcanic Action;  
Vandalism or Malicious Mischief;  
Collision, upset or overturn of a transporting vehicle.

4. For the purpose of this Endorsement, **POLLUTANTS** means any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

## Conditions - 140559 12 86

Commercial Inland Marine Coverage Form

### A. General Conditions

1. **Your name and address** as the Named Insured shall be as specified in the General Declarations.

2. **The Policy Period**

This policy applies only to loss or damage that occurs during the policy period shown in the General Declarations. The policy period begins and ends at 12:01 a.m., Standard Time, at your address shown in the General Declarations. But if this policy replaces a policy which expires at noon Standard Time on the effective date of this policy, then this policy will not be effective until the policy being replaced expires. In those states which require policy periods to begin and end at noon Standard Time, this policy will begin and end at noon Standard Time.

3. **The Declarations** shows you which coverages you have purchased and the limits of liability that apply. You have only those coverages and amounts of insurance. If this coverage applies only at specified locations, they are shown in the Declarations.

By accepting this policy, you agree that:

- a. the statements in the Declarations are your agreements and representations;
- b. that this policy is issued in reliance on the truth of such representations.

4. **Territorial Limits**

Unless a coverage form attached to this policy indicates otherwise, this policy covers only within the 48 contiguous states of the United States, the District of Columbia and within the states of Alaska and Hawaii.

5. **Concealment or Fraud**

This policy is void if you have intentionally concealed or misrepresented any material fact or circumstance relating to this insurance.

6. **Abandonment**

You may not abandon any covered property to us without our written consent.


7. **Civil Authority**

We will pay you for your covered property, if covered for the peril of fire, if an order by a civil authority causes your property to be damaged or destroyed during a conflagration in order to retard such disaster.

8. **Suit**

You agree not to sue us or involve us in another action proceeding after 2 years have past since you discovered the occurrence giving rise to such action. If the state law applicable to this coverage requires a different time period within which suit may be brought, this provision is amended to conform to such law.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



President

## B. Loss Adjustment Provisions

### 1. Your Duties After Loss

If a loss occurs which this policy may cover, you must see that the following duties are performed:

#### a. Notice of Loss

You must tell us in writing as soon as practical after loss or damage has occurred to your covered property, or after any occurrence that may develop into a claim. You must also file with us or our agent, a detailed sworn proof of loss within ninety (90) days following the occurrence.

#### b. Protect Property

You shall do what is reasonably necessary to minimize the loss or damage and to protect the insured property from any further loss or damage. Any expense in doing this shall be shared by you and us according to your and our interests. If you move the covered property to a safe place, that property will continue to be covered and we will reimburse you for the reasonable expenses for doing so. You must tell us as soon as practical that you have done this.

### 2. Examination Under Oath

Before recovering from us for any loss, you shall, if we request:

- a. Permit us to inspect and appraise the damaged property before it is repaired or disposed of;
- b. be examined under oath;
- c. produce others for examination under oath; and,
- d. comply with any other reasonable request we make.

These requests are for the purpose of examining the loss. They shall not mean that we admit liability for any loss or damage.

### 3. Valuation

If a loss occurs, we will determine the value of the lost or damaged property at its actual cash value, with proper deduction for depreciation, as of the time of loss or damage. We will not pay you more than it would cost to repair or replace the covered property with material of like kind and quality. We will not pay you for any part of the loss or damage that you have collected from any other source.

### 4. Settlement of Loss

We will settle substantiated claims within 30 days of our receipt of your statement of loss. We will supply you with the necessary forms.

### 5. No Benefit to Bailee

No person or organization, other than you, that has custody of the covered property, shall benefit from this insurance.

### 6. Subrogation

If any person or organization to whom we make payment under this policy has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to aid us in any recovery and to protect our rights. If that person or organization does anything to impair our rights, we will not have to pay the loss.

### 7. Loss Clause

If you have a loss other than a total loss, we will not reduce the amount of your coverage. However, if you have a total loss, the amount of your coverage shall be reduced by the amount of the item that was lost or destroyed. We will return to you the unearned premium from the date of loss to the end of the current policy period or rating period for which the premium was charged, whichever comes first. You may also request us to apply that unearned premium to the premium due on any item(s) replacing that which was lost or destroyed and for which we have paid a claim.

#### 8. Pair, Set or Parts

If you have a loss to your covered property that is part of a pair or set, we will pay you only for a reasonable and fair proportion of the total value of the pair or set. We will not pay on the basis of a loss to the entire pair or set.

If you have a loss to covered property that is a piece or pieces which belong to something that when complete consists of several parts, we will pay only for the part(s) that are lost or damaged.

#### 9. Appraisal

If you and we fail to agree on the amount of loss, either one can ask that the amount of loss be established by appraisal. To start the appraisal process either you or we must make the request in writing to the other. Each must then choose a competent, independent appraiser and give the name and address of that appraiser to the other. This must be done within 30 days after the written request for appraisal is received.

The two appraisers must then choose a competent and impartial umpire. If they do not agree on an umpire within 15 days, either you or we may have an umpire selected by a court located in the same state as the insured property. The appraisers will then set the amount of the loss. A copy of their report will be given to you and to us. The amount they agree upon will be the amount of loss.

If the appraisers fail to agree within a reasonable period of time, they will give the umpire a statement of their differences. A written agreement signed by any two of the three will set the amount of the loss. You will pay your appraiser and we will pay ours. The umpire's fee and other appraisal expenses will be shared equally by you and us.

If we submit to an appraisal, we will still retain our right to deny the claim.

#### 10. Labeled Goods

If covered property bearing labels, packaging or wrappers is lost or damaged, we will pay you an amount sufficient to replace those labels, packaging or wrappers.

#### 11. Other Insurance

The insurance coverage provided by this policy shall apply only as excess insurance over any other insurance or coverage that applies to the covered property.

#### 12. Impairment of Recovery Rights

If you do anything before or after a loss that impairs or precludes your right to recover from any other party who may be liable for the loss or damage, we will not pay you. We may also refuse to pay if you make any settlement or agreement on a loss without our written consent.

#### 13. Recovery

If we recover any part of a loss from another party, after we deduct the expenses of making the recovery we will share the recovery with you. Your share will be the proportion that your share of the loss bears to the total amount of the loss.

#### 14. Loss Payee

If a loss payee is named in the Declarations, we will pay you and the loss payee, as the interest of each may appear.

### C. Additional Losses We Do Not Cover

In addition to Losses We Don't Cover under this policy, the Governmental Action and Nuclear Hazard Exclusions that follow will apply to coverage under this policy regardless of other governmental action or war risk exclusions or clauses, or nuclear hazard or nuclear exclusions or clauses may appear in this policy. If however, the other clauses, if any, specifically assume these risks, then such other governmental action or war risk exclusions or clauses, or nuclear hazard or nuclear exclusions or clauses shall apply and the following clauses will not apply.

#### 1. Government Action.

We do not cover loss or damage caused by or resulting from seizure or destruction of property by order of governmental authority. But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire is covered under this policy.

2. Nuclear Hazard

We do not cover loss or damage caused by any weapon employing atomic fission or fusion or nuclear reaction or radiation, or radioactive contamination, however caused. But we will pay for direct loss or damage caused by resulting fire if the fire is covered under this policy.

3. War and Military Action

We do not cover loss or damage caused by or resulting from:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or,
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

4. Illegal Transport or Trade

We do not cover loss or damage caused by or resulting from illegal transportation or trade.

D. Definitions

Throughout this policy the terms **you** and **your** mean the person or organization shown in the General Declarations or coverage Declarations as the Named Insured. **You** and **your** includes partners acting as such when the Named Insured is a partnership and executive officers, directors and stockholders acting as such when the Named Insured is a corporation. **We, us** and **our** mean the Company issuing this policy. The term **policy** means this Property Floater and the coverage forms and endorsements attached to it.

E. Special State Provisions

**KANSAS. Suit.** If this policy is issued in the State of Kansas, the words **five (5) years** are substituted for the words **twelve (12) months** in Condition A.8.

**TEXAS. Notice of Loss and Suit.** If this supplemental policy is issued in the State of Texas, the words **ninety-one (91)** are substituted for the word **ninety (90)** in Condition B.1.a. and the words **two (2) years and one (1) day** are substituted for the words **twelve (12) months** in Condition A.8.

**In Witness Whereof**, the Company has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by a duly authorized representative of the Company.

# Mail Coverage Form - MI 30 00 09 88

## Policy Coverage

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words **you** and **your** refer to the Named Insured shown in the Declarations. The words **we**, **us** and **our** refer to the Company providing this insurance.

Other words and phrases that appear in **boldface** have special meaning. Refer to Section E-DEFINITIONS.

A. **Coverage** We will cover **loss** to Covered Property from any of the Covered Causes of Loss.

1. **Covered Property**, as used in this Coverage Form, means the following:

a. If sent by First Class Mail, Certified Mail or United States Postal Service Express Mail;

(1) Stock certificates, voting trust certificates, certificates of deposit, deposit receipts, interim certificates, fractional share or scrip certificates, subscription warrants, rights and similar certificates and evidences of ownership; bonds, debentures and similar obligations;

(2) Coupons when detached from bonds, debentures and similar obligations;

(3) Postage and revenue stamps; postal, express and other money orders; checks, drafts, notes, bills of lading, warehouse receipts, and other

commercial papers and other documents and papers of value.

b. If sent by Registered Mail:

- (1) All property described in Part a. above;
- (2) Bullion, platinum, and other precious metals; and
- (3) Currency, unsold travelers checks, credit card receipts, jewelry, watches, necklaces, bracelets, gems, precious and semiprecious stones, and similar valuable property.

We cover property sent by you or to you. But we only cover property:

- (a) Sent during the policy period;
- (b) You have recorded for insurance under this Coverage Form prior to **loss**; and
- (c) Sent by the type of mail for which a Limit of Insurance is shown in the Mail Coverage Form Declarations.

2. **Property Not Covered**

Covered Property does not include:

- a. Converted data, programs or instructions used in your data processing operations, including the materials on which the data is recorded;
- b. Currency, unsold travelers checks and credit card receipts unless sent by Registered Mail;

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



President

## South Dakota Changes - CM 02 07 01 89

Policy Amendments Commercial Inland Marine

This endorsement modifies insurance provided under the following:

### Commercial Inland Marine Coverage part

A. Paragraph 2. of CANCELLATION Common Policy Condition is replaced by the following:

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 20 days before the effective date of cancellation.

After 60 days from the effective date of policy issuance a notice of cancellation may not be issued unless it is based upon at least one of the following reasons as stated in South Dakota law:

- (1) Nonpayment of premium;
- (2) Discovery of fraud or material misrepresentation made by or with the knowledge of the Named Insured in obtaining the policy, or in presenting a claim under the policy;
- (3) Discovery of acts or omissions on the part of the Named Insured which increase any hazard insured against;
- (4) The occurrence of a change in the risk which substantially increases any hazard insured against after insurance coverage has been issued;
- (5) A violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against;
- (6) A determination by the director of insurance that the continuation of the policy would jeopardize our solvency or would

place us in violation of the insurance laws of South Dakota;

- (7) Your violation or breach of any policy terms or conditions; or
- (8) Such other reasons as are approved by the director of insurance.

B. The following condition is added and supersedes any provisions to the contrary:

#### Nonrenewal

1. If we decide not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal at least 30 days before:
  - a. The expiration date; or
  - b. The anniversary date if this is a continuous policy.
2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

C. Paragraph A.8. **suit** in the General Conditions of the Commercial Inland Marine Conditions form, is replaced by the following:

#### Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part;
2. The action is brought within 6 years after you first have knowledge of the loss.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



President



c. Property sent by United States Postal Service Express Mail if you permit the United States Postal Service to deliver the property without the signature of the addressee or of the addressee's agent;

d. Contraband, or property in the course of illegal transportation or trade.

### 3. When Coverage Applies

We cover property in the care, custody or control of a government postal service until:

- a. Delivered to the addressee stated on the shipping package;
- b. Delivered at the proper address in the event of nondelivery by reason of error in address or removal of addressee; or
- c. Returned to the premises of the sender in the event of nondelivery.

We also cover property while being conveyed between the premises of the sender or addressee and the government post office:

- (1) While in the custody of a common carrier; or
- (2) Directly by other messenger. But we do not cover property at the premises of any other messenger.

### 4. Where Coverage Applies

We cover property sent by:

- a. Registered Mail between places anywhere in the world; or
- b. First Class Mail, Certified Mail and United States Postal Service Express Mail between places in the United States, Canada, Puerto Rico, United States Virgin Islands and other territories or possessions of the United States.

### 5. Covered Causes of Loss

Covered Causes of Loss means **RISKS OF DIRECT PHYSICAL LOSS** to Covered Property except those causes of **loss** listed in the Exclusions.

### 6. Coverage Extension

#### Error or Oversight

If due to error or oversight:

a. The value of any mailing was not recorded properly, you will:

- (1) Notify us promptly after you discover any error or oversight; and
- (2) Record the correct value.

But this Coverage Extension does not increase the Limit of Insurance shown in the Mail Coverage Form Declarations applicable to the property and type of mail you used.

b. If:

- (1) Covered Property is sent by First Class Mail, Certified Mail or United States Postal Service Express Mail;
- (2) That property should have been sent by Registered Mail for coverage to apply under this Coverage Form; and
- (3) We cover property sent by Registered Mail under this Coverage Form;

we will cover that mailing.

But the Limit of Insurance for this Coverage Extension will not exceed the least of:

- (a) Its actual value;
- (b) The Limit of Insurance shown in the Mail Coverage Form Declarations for all Covered Property to any one addressee on any one day sent by Registered Mail; or
- (c) \$1,000,000.

c. **Coinsurance** - The value of Covered Property in any one shipping package exceeds the Limit of Insurance shown in the Mail Coverage Form Declarations for that type of mail, we will cover only the proportion of any **loss** that the applicable

Limit of Insurance bears to the actual value of the Covered Property on the date of mailing.

## B. Exclusions

We will not cover a **loss** caused directly or indirectly by any of the following. Such **loss** is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the **loss**.

### 1. Government Action

Seizure or destruction of property by order of governmental authority.

But we will cover acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

### 2. Nuclear Hazard

Nuclear reaction or radiation or radioactive contamination from any other cause. But we will cover for direct **loss** caused by or resulting from fire if fire would be covered under this Coverage Form.

### 3. Weapons

- a. Any weapon employing atomic fission or fusion; or
- b. Any mine or torpedo.

### 4. War and Military Action

- a. War, including undeclared or civil war.
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents.

But we will cover for direct **loss** caused by fire; explosion; stranding; heavy weather; or collision or contact with aircraft, rockets or missiles or any fixed or floating object (except any mine or torpedo); if warlike action does not contribute directly to these causes of **loss**.

- c. Insurrection, rebellion, revolution, usurped power or action taken by

governmental authority in hindering or defending against any of these.

## C. Limits of Insurance

We will not cover a **loss** for more than the applicable Limit of Insurance shown in the Declarations.

## D. Special Conditions

The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

### 1. Valuation

Commercial Inland Marine General Condition E Valuation is replaced by the following:

The value of Covered Property will be its actual value, but not less than its market value, as of the date of mailing.

### 2. Records

You will keep accurate records of all mailings of Covered Property. You must record each mailing prior to **loss**.

These records will consist of:

- a. A description of the Covered Property, its destination, and the type of mail you used;
- b. The value of the Covered Property contained in each shipping package; and
- c. The number of shipping packages for each type of mailing.

### 3. Premium

#### a. Except Large Value Mailings

Except for Large Value Mailings, we will compute the premium for each policy period using the rates shown in the Rate Schedule applied to:

- (1) The total values of all Covered Property; or
- (2) The total number of shipping packages containing Covered Property;

sent during the 12 months preceding the date shown in the Premium Declarations.

The computed premium will not be less than the Minimum Premium shown in the Premium Declarations.

b. Large Value Mailings

- (1) You will pay us an additional premium for Large Value Mailings.

Large Value Mailings means:

- (a) A related series of mailings within any period of up to 90 consecutive days having a total value; or
- (b) Any single mailing having a value;

which exceeds 100% of the total values of all Covered Property used in computing the premium for the Policy Period shown in the Premiums Declarations.

- (2) You will report:

- (a) Any such mailings within 30 days after they start; and
- (b) The total values of all Covered Property contained in the mailing within 30 days after completion of the mailing.

- (3) We will compute the additional premium using the rates shown in the Rate Schedule applied to the total values of all Covered Property sent in each Large Value Mailing.

None of the values of Large Value Mailings will be included in computing the premium for the next Policy Period.

- (4) Any report of Large Value Mailings will not increase any applicable Limit of Insurance shown in the Declarations unless we have agreed to such a change prior to mailing.

4. Cancellation

The following is added to the Cancellation Common Policy Condition:

In the event of cancellation, this Coverage Form applies to all mailings of Covered Property made up to the date and time of cancellation.

5. Duties in the Event of Loss

The following are added to Commercial Inland Marine Loss Condition C. Duties in the Event of Loss:

- (a) In the event of loss, you will take all reasonable steps to minimize the loss. At our request and at our expense, you will do whatever is necessary for the recovery, reissue or duplication of the Covered Property.
- (b) Your statement of loss will also include:
  - (1) Proof of interest in the property;
  - (2) Affidavit of mailing;
  - (3) Affidavit of nonreceipt by the addressee and, if we request, also by the owner of the property; and
  - (4) If applicable, the receipt of any government postal service for the mailing.

6. Loss Payment

Commercial Inland Marine Loss Condition E. Loss Payment is replaced by the following:

After:

- a. We receive your statement of loss; and
- b.
  - (1) We reach agreement with you;
  - (2) The entry of final judgment; or
  - (3) The filing of an appraisal award;

we will make good or pay any loss covered under this Coverage Form within 7 days on property sent by Registered Mail and within 15 days on property sent by any other type of mail.

We will not be liable for any part of a **loss** that has been paid or made good by others.

## 7. Settlement of Loss

In the event of **loss**:

- a. We will furnish the bond of indemnity necessary to reissue or duplicate the Covered Property after receipt of your statement of **loss**.

If we do this on behalf of the registered owner and that owner finds or recovers the property after its reissue or duplication and fails to return it for cancellation, your rights of recovery against that owner are transferred to us.

- b. If, prior to the time the Covered Property can be replaced, you are required to deliver and cannot borrow equivalent property, we will pay you:
  - (1) The cost of equivalent property purchased by you in an available market;
  - (2) The postage and insurance charges for that mailing; and
  - (3) Any loss of interest actually earned on the Covered Property between the date of mailing and the date the equivalent property is purchased.
- c. If the Covered Property cannot be reissued or duplicated and equivalent Covered Property cannot be purchased, we will pay you:
  - (1) The value of the Covered Property on the date of loss. But we will pay no more than the value you have recorded for insurance;
  - (2) The postage and insurance charges for that mailing; and
  - (3) Any loss of interest actually earned on the Covered Property as of the

date of mailing. But we will pay this interest only if it has not been included already in the value you recorded for that mailing.

- d. If we pay any **loss**;

- (1) We will pay you or anybody else you direct us to pay; and
- (2) All right, title and interest in the Covered Property will be conveyed to us.

## 8. Other Insurance

Commercial Inland Marine Loss Condition F. Other Insurance is replaced by the following:

If there is any other insurance or indemnity covering the same **loss** as the insurance under this Coverage Form, we will cover only our pro-rata proportion of the **loss** except as follows:

- a. With respect to **loss** by theft on the part of employees of senders or addressees, we will cover only the excess of the amount covered by any other insurance or indemnity. We will cover the excess whether the other Insurance or indemnity is collectible or not;
- b. With respect to **loss** by other than theft on the part of employees of senders or addressees, that is covered by any blanket bond, we will be directly and primarily liable for that **loss**. We will have no recourse against any blanket bond.

## E. Definitions

- 1. **Loss** means accidental loss, damage or destruction.
- 2. **Nonnegotiable securities** means securities that cannot be negotiated or converted to cash by any unauthorized person without resort to forgery.

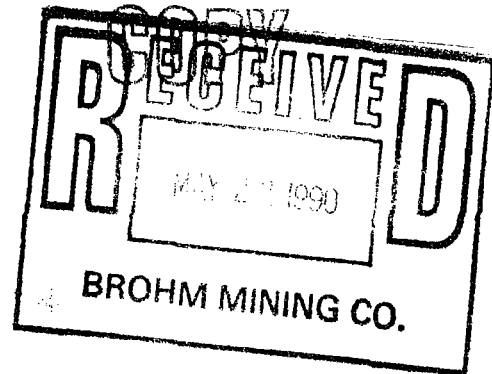
## ENDORSEMENT

Dated: May 7, 1990

Premium: \$ 7,900.00

Attached To Policy No. 42-3267-92-000224  
File #15241-C

Issued by



### CHICAGO TITLE INSURANCE COMPANY OF IDAHO

1. The Company assures the Insured that by an agreement executed by Brohm Mining Corp., a South Dakota corporation to Citibank, N.A. dated as of May 4, 1990, recorded May 7, 1990 at 2:38 P.M., the mortgage referred to in Schedule A or the obligation secured thereby has been modified and that said mortgage is prior to any liens or encumbrances affecting said estate or interest, other than those shown in Schedule B as prior to said mortgage, except:

Current real estate taxes as set forth on Exhibit "A" attached hereto.

The Company hereby insures said Insured against loss which said Insured shall sustain in the event that the assurance herein shall not prove to be correct.

2. The amount of policy shown in Schedule A thereof is hereby amended to read: \$25,000,000.00
3. The effective date of the policy is hereby amended to read: May 7, 1990 at 2:39 P.M.

This endorsement is made a part of the policy or commitment and is subject to all the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy or commitment and prior endorsements, if any, nor does it extend the effective date of the policy or commitment and prior endorsements or increase the face amount thereof.

CHICAGO TITLE INSURANCE COMPANY  
OF IDAHO

By

*Ruth A. Weis*  
Authorized Signature

EXHIBIT "A"

1989 real estate taxes - 1st half paid

2nd half - MS 648 -\$472.18 (3/8 part)  
\$781.50 (5/8 part)

MS 649 -\$1009.46 (3/8 part)  
\$1904.92 (5/8 part)

MS 975 -\$ 16.48 (Part)  
\$1463.29 (part)  
\$ 25.33 (part)

MS 1871 -\$4,503.97

MS 912 -\$ 12.66 (part)  
19.05 (part)

MS 931 \$ 44.44

MS 1042 -\$ 25.55

MS 1992 -\$ 214.97

MS 138 -\$ 44.44

MS 188 -\$4,066.31

MS 189 -\$1,062.39

MS 218 -\$ 52.39

MS 311 -\$1,823.55

MS 328 -\$3,642.06

MS 650 -\$3,903.51

MS 884 -\$ 250.66

MS 1225 -\$4,025.62

MS 1964 -\$ 127.86 (1/2)  
- \$ 127.86 (1/2)

MS 327 \$ 12.99 (1/2)  
\$ 12.99 (1/2)

MS 1561 \$ 29.98

MS 1905 \$ 152.71

**SCHEDULE A**

<sup>1</sup> OFFICE FILE NUMBER	<sup>2</sup> POLICY NUMBER	<sup>3</sup> DATE OF POLICY	<sup>4</sup> AMOUNT OF INSURANCE	<sup>5</sup> PREMIUM
15241-C	42-3267-92-000224	January 30, 1989 8AM	15,000,000.00	12,577.50

**COPY**

1. Name of Insured: CITIBANK, N.A.

2. The estate or interest in the land which is encumbered by the insured mortgage is:

As to Parcel 1 - Fee simple

As to Parcels 2 through 9 inclusive - Lessee's interest as more fully described in

3. Title to the estate or interest in the land is vested in: Paragraph 5 of Schedule A

As to Parcel 1 - Brohm Mining Corp., a South Dakota corporation

As to Parcels 2 through 9 inclusive - Brohm Mining Corp., a South Dakota corporation

4. The insured mortgage and assignments thereof, if any, are described as follows:

MORTGAGE-COLLATERAL REAL ESTATE MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND FINANCING STATEMENT executed by Brohm Mining Corp., Grantor, in favor of Citibank, N.A., a national banking association, Mortgagee, dated as of January 27, 1989 and recorded January 27, 1989 at 4:12 P.M. as Doc. #89-322, records of Lawrence County Register of Deeds, to secure, among other things, the obligations under that certain Revolving Credit Agreement dated as of January 27, 1989, among MinVen Gold (USA) Corporation, Brohm Mining Corp., Compass Mining, Inc. and Barrier Reef, Inc. (collectively, the "Borrowers") and Citibank, N.A. in the aggregate amount not to exceed at any time \$10,000,000.00.

5. The land referred to in this policy is described as follows:

See attached Exhibit A to Schedule A.

**SCHEDULE A**

ALTA Loan Policy 6-1-87  
Reorder Form No. 11111

EXHIBIT A TO SCHEDULE A

5. The land referred to in this policy is described as follows:

Parcel 1 - Mineral Survey No. 648 - 5/8 interest in the Oro Bella Lode  
Mineral Survey No. 649 - 5/8 interest in the Waggoner Lode

A part of Mineral Survey No. 975 located near Galena, South Dakota, known as the Joe King Lot and described as follows: Commencing at Corner No. 1 of said lot, an iron bar set 3 feet in the ground from whence the section corner common to Sections 5, 6, 7 and 8, T4N, R4E, bears N. 20° 30' W. 401.9 feet Magnetic Variation 15° 30' E., thence S 16° 03' E. 181.2 feet to Corner No. 2, an iron bar set 3 feet in the ground; thence N. 73° 57' E. 124.2 feet to Corner No. 3, a pine stake 2" x 2" set 2' in the ground; thence N. 16° 03' W. 181.2 feet to Corner No. 4, a pine stake 2" x 2" set 2' in the ground; thence S. 73° 57' W. 124.2 feet to Corner No. 1, the place of beginning, except all sub-surface estate rights, interests and matters.

Mineral Survey No. 1871 - the Bailey Lode -except all sub-surface estate rights, interests and matters.

Mineral Survey No. 912 - 1/4 interest in the Crown Point Lode

Mineral Survey No. 931 - the Hoodoo Gulch Placer

Mineral Survey No. 1042 - the Red Jacket No. 3 Lode

Mineral Survey No. 1992 - the Lowry Fraction Lode

Government Lots 8 and 12 in Section 5, Township 4 North, Range 4 East, Black Hills Meridian, Lawrence County, South Dakota.

Parcel 2 - Lessee's interest as created of record by Lease and Option to Purchase dated Oct. 16, 1974 by and between Commonwealth Mining Co. and Thomas E. Congdon as recorded in Book 418 Page 264 filed Nov. 12, 1974 at 9:15 A.M. and the Amendment #1 to Lease and Option to Purchase from Commonwealth Mining Co. to Brohm Mining Corporation filed March 1, 1988 as Doc. #88-792, said interest being subject to all additional terms, provisions, covenants and conditions contained therein, covering the real estate described below:

Mineral Survey No. 138 - the Anchor Lode

Mineral Survey No. 188 - the Rattlesnake Jack Lode

Mineral Survey No. 189 - the Center Fraction Lode

Mineral Survey No. 218 - the Little Giant Lode

Mineral Survey No. 311 - the Montenegro Lode

Mineral Survey No. 328 - the Gilt Edge Lode

Mineral Survey No. 650 - the Sunday Lode

Mineral Survey No. 884 - the Golden West, Rush, Bismark, Moltke and Golden Star Fraction Lodes

Mineral Survey No. 975 - the Binghampton, Ontario, True Blue, Delhigh, and Norwich Lodes EXCEPT the surface estate described by metes& bounds as recorded in Doc. #79-2729 known as the Joe King Lot.

Mineral Survey No. 1225 - the Dakota Maid and Dakota Maid Fraction Lodes

Mineral Survey No. 648 - 3/8 interest in the Oro Bella Lode

Mineral Survey No. 649 - 3/8 interest in the Waggoner Lode

all located in Lawrence County, South Dakota.



EXHIBIT A TO SCHEDULE A

Parcel 3 - Lessee's interest as created of record by Memorandum of Lease and Option to Purchase dated June 1, 1988 between Northwestern Metal Company and Brohm Mining Corporation filed July 25, 1988 as Doc. #88-2764, said interest being subject to all additional terms, provisions, covenants and conditions of an unrecorded Agreement of even date between the parties, covering the real estate described below:

Mineral Survey No. 1134 - the Adrian Fraction, Alert, Alert Fraction, Alert Fraction No. 1, Argo Fraction, Comet, Erwin Fraction, Eureka, Hoodo, Lucky Fraction, Maverick, May, May Fraction, Nevada, Pyrite, Pyrite Fraction, South Ruby, Summit, Union Fraction and Union Hill Lodes located in Lawrence County, South Dakota.

Parcel 4 - Lessee's interest as created of record by Memorandum of Lease with Option to Purchase between Henry Cruz, William E. Fuller, Gary D. Froemel and Robert Stankewicz and Brohm Mining Corporation dated November 25, 1987 filed January 19, 1988 at 1:30 P.M. as Doc. #88-375, said interest being subject to all additional terms, provisions, covenants and conditions of an unrecorded Agreement of even date between the parties, covering the real estate described below:

Mineral Survey No. 912 - 3/4 interest in the Crown Point Lode  
Mineral Survey No. 698 - the Black Hawk Lode

Parcel 5 - Lessee's interest as created of record by Short Form Mineral Lease between Chester A. Borsch Trust, Chester A. Borsch Jr., Trustee and Jeraldine Borsch Fahrni to Brohm Mining Corporation dated August 21, 1987 and filed September 4, 1987 as Doc. #84-3620, said interest being subject to all additional terms, provisions, covenants and conditions of an unrecorded Mineral Lease of even date between the parties, covering the real estate described below:

Mineral Survey No. 1964 - the Fissure, Cedar Hill, Crows foot, and Nero Lodes

Parcel 6 - Lessee's interest as created of record by Mining Lease - Memorandum for Recording between Jeraldine Borsch Fahrni, Special Administratrix of the Estate of Frederick G. Borsch, deceased, and Cyprus Mines Corporation dated August 29, 1983 and filed September 12, 1983 as Doc. #83-5038, said interest being subject to all additional terms provisions, covenants and conditions of an unrecorded Mining Lease of even date between the parties, covering the real estate described below:

Mineral Survey No. 327 - the Black Dan Lode

EXHIBIT A TO SCHEDULE A

Parcel 7 - As to an undivided 32/36 interest - Lessee's interest as created of record by Memorandum of Mining Lease With Option to Purchase between Antoinette E. Heuglen and Brohm Mining Corporation dated November 25, 1987 and filed December 7, 1987 as Doc. #87-5153, Memorandum of Mining Lease With Option to Purchase between Antoinette Eilers and Brohm Mining Corporation dated November 25, 1987 and filed December 7, 1987 as Doc. #87-5154, Memorandum of Mining Lease with Option to Purchase between Louis Eilers and Ina Eilers and Brohm Mining Corporation dated November 25, 1987 and filed January 11, 1988 as Doc. #88-173, and Memorandum of Mining Lease With Option to Purchase between Ahlrich Eilers Jr. and Brohm Mining Corporation dated November 25, 1987 and filed December 19, 1988 as Doc. #88-7070, said interest being subject to all additional terms, provisions, covenants and conditions of an unrecorded Agreement of even date between the parties, covering the real estate described below:

Mineral Survey No. 1561 - the Portland Lode

Parcel 8 - Lessee's interest as created of record by Memorandum of Mining Lease between Ruth E. Hankins, as Trustee of the Ruth E. Hankins Revocable Trust and Brohm Mining Corporation dated January 6, 1988 and filed January 13, 1988 as Doc. #88-238, said interest being subject to all additional terms, provisions, covenants and conditions of an unrecorded Agreement of even date between the parties, covering the real estate described below:

Mineral Survey No. 1905 - the New York, Cooper, Fair Oaks and Chicago Lodes

all property being located in Lawrence County, South Dakota.

Parcel 9 - Lessee's interest as created of record by Memorandum of Mining Lease and Option to Purchase dated June 1, 1988 between Willis F. Aye and Lona B. Aye and Brohm Mining Corp. filed as Doc. #88-2077 on June 15, 1988, said interest being subject to all additional terms, provisions, covenants and conditions of an unrecorded Agreement of even date between the parties covering the real estate described below:

Mineral Survey No. 1871 - the Bailey Lode

## SCHEDULE B

File No.: 15241-C

### EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

#### PART I

##### GENERAL EXCEPTIONS

1. Rights or claims of parties in possession not shown by the public records.
2. Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the premises including, but not limited to, insufficient or impaired access and matters contradictory to any survey plat shown by the public records.
3. Easements, or claims of easements, not shown by the public records.
4. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.
6. Taxes or special assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

##### SPECIAL EXCEPTIONS:

1. 1988 real estate taxes as follows:

MS 138 - \$88.98	MS 1225 - \$5,157.65	MS 912 - \$25.36 1/4 int.
MS 188 - \$5,204.60	MS 1134 - \$62,210.12	" - \$38.16 3/4 int.
MS 189 - \$1,361.11	MS 1871 - \$9,017.19	MS 1964 - \$128.00 1/2 int.
MS 218 - \$104.88	MS 1042 - \$51.15	" - \$128.00 1/2 int.
MS 311 - \$1,621.78	MS 1992 - \$271.66	MS 327 - \$26.03 1/2 int.
MS 328 - \$4,057.26	MS 931 - \$88.98	" - \$26.03 1/2 int.
MS 650 - \$4,990.78	MS 698 - \$42.99	MS 1561 - \$58.03
MS 884 - \$687.13	MS 648 - \$604.88 3/8 int.	MS 1905 - \$305.71
MS 975 - \$284.36	" - \$1,001.29 5/8 int.	
" \$50.73	MS 649 - \$1,293.29 3/8 int.	
" \$53.06	" - \$2,440.63 5/8 int.	

1989 real estate taxes a lien not due and payable until 1990.

2. Buried exchange facility easement to Northwestern Bell Telephone Co. across M.S. 975 and M.S. 884 as recorded in Doc. #81-729, #81-730 and #81-731.
3. A pole line permit across M.S. 648 and 649 recorded in Book 209 Page 64, across M.S. 1042 as recorded in Book 209 Page 67, across M.S. 1225 and M.S. 328 in Book 194 Page 524; across M.S. 188, 189, 311 and 650 in Book 194 Page 522, and across M.S. 1964 as recorded in Book 209 Page 65.

##### SCHEDULE B - PART I (STANDARD COVERAGE)

ALTA Loan Policy (10-21-87)  
Reorder Form No. 9129

SCHEDULE B

File #15241-C

4. Right of way permit to Black Hills Power and Light Co. from Brohm Mining Corp. across M.S. 975, 1134, 884, and 328 as recorded in Doc. #87-3027.
5. Access, as insured, is dependent upon all lodes and parcels being contiguous and constituting a single tract.
6. Statutory easement for highway along section lines bounding or within the land herein described.
7. Subject to any loss incurred by owners from lack of rights of owners to follow any lode or vein beyond the lines of the premises in question including but not limited to extralateral rights.
8. Reservation of mineral rights by Willis F. Aye and Lona B. Aye on Deed filed as Doc. #77-3260 covering Bailey Lode M.S. 1871.
9. Assignment dated December 31, 1982 from Congdon and Carey Ltd. 5 to George Anderman et al, assigning as a non-interest bearing production royalty, 10% of Assignor's net revenue interest in all minerals, metals, and ore produced and marketed from and under leases as set forth therein filed as Doc. #83-2385 Feb. 7, 1983 at 9:34 A.M.
10. Rights of Commonwealth Mining Company for production royalty payments under terms of that certain lease dated Oct. 16, 1974 between Commonwealth Mining Co. and Thomas E. Congdon filed in Book 418 Page 264.
11. Any matters arising out of any alleged default existing at date of policy under the leases referenced at Parcels 2-9 in Schedule A of this policy.
12. Reservations contained in Interchange Deed from USA to Brohm Mining Corp. for any valid existing rights which may have accrued as a result of the discovery and location of a valuable mineral deposit in accordance with the General Mining Act of May 10, 1872, as amended, as set out in Doc. #88-6491.
13. Matters which do not appear of record in Lease between Northwestern Metal Co. and Congdon & Carey Ltd. 3 filed in Book 384 Page 259 and the assignments thereof evidenced by recorded Assignment from Congdon & Carey Ltd. 5 to CoCa Mines Inc. in Doc. #83-2386 and Assignment from Congdon & Carey Ltd. 5 to Cyprus Mines filed in Doc. #83-2448 and Assignment from Cyprus Mines Corp. to B.H. Gold Mining Co. in Doc. #83-5754, Assignment from Lacana Gold Inc. to Gilt Edge in Doc. #85-649 Assignment from Cyprus Mines Corp. & Coca Mines to Lacana in Doc. #83-5768 and to Gilt Edge Inc. in Doc. #88-2797.
14. Consequences of any attack on the lien of the mortgage insured herein under any federal or state law dealing with bankruptcy insolvency or creditors rights in the event that the obligations secured thereby are not for the direct benefit of mortgagor.
15. Vestee's title in Parcel 8 depends upon the sufficiency of tax foreclosure proceedings held in 1965 purporting to divest the interest of Louis Hardin, Joseph Hilton and H.S. Flatt whose rights if any are excepted. The deed from the county is dated 1970.

SCHEDULE B

File #15241-C

16. Statutory rights to appeal Judgement in Quiet Title covering Parcel 7 within period provided by law from Judgmeent filed as Doc. #88-4383 filed with Lawrence County Register of Deeds November 9, 1988.
17. A UCC Form 1 Financing Statement from Brohm Mining Corp. to Citibank, N.A. filed January 27, 1989 at 4:14 P.M. as Doc. #89-323.

## ENDORSEMENT

Dated: 1-30-89

Premium: \$ 628.88

Attached To Policy No. 42-3267-92-000224

Issued by

### CHICAGO TITLE INSURANCE COMPANY OF IDAHO

The Company hereby assures the Insured that, notwithstanding any terms or provisions in this policy to the contrary:

Any indebtedness incurred subsequent to the Date of Policy which is secured by the insured mortgage under paragraph (IV) and (V) of the "Obligations" as described therein shall be included within the coverage of this policy, provided that said vestee is the owner of the estate or interest covered by said policy at the date any such indebtedness is incurred and subject to the limitations hereinafter set forth.

The Company further assures the Insured that such subsequent indebtedness shall have the same priority over liens, encumbrances and other matters disclosed by the public records, as does indebtedness secured by the insured mortgage as of Date of Policy, except for the following matters, if any, disclosed by the public records subsequent to Date of Policy:

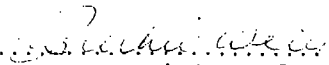
- a. Federal tax liens.
- b. Liens, encumbrances or other matters, the existence of which are actually known to the Insured holder of the indebtedness prior to date of the incurrence of such indebtedness (but excluding any statutory lien for labor or material).
- c. Bankruptcies affecting the estate of vestee prior to date of the incurrence of such indebtedness.

This endorsement expressly excludes from coverage any lapse in the effectiveness of the lien of the insured mortgage by reason of the failure to comply with provisions of 44-8-26 SDCL for filing an addendum to continue lien.

The total liability of the Company under said policy and any endorsements therein shall not exceed, in the aggregate, the face amount of said policy and costs which the Company is obligated under the conditions and stipulations thereof to pay.

This endorsement is made a part of the policy or commitment and is subject to all the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy or commitment and prior endorsements, if any, nor does it extend the effective date of the policy or commitment and prior endorsements or increase the face amount thereof.

CHICAGO TITLE INSURANCE COMPANY  
OF IDAHO

By  .....  
Authorized Signature

## ENDORSEMENT

Dated: 1-30-89

Premium: \$ N/A

Attached To Policy No. 42-3267-92-000224

Issued by

### CHICAGO TITLE INSURANCE COMPANY OF IDAHO

The Company hereby assures the Insured that, notwithstanding any terms or provisions in this policy to the contrary:

Advances made by Citibank, N.A. (the "Bank") subsequent to the Date of Policy pursuant to the terms of the Revolving Credit Agreement dated as of January 27, 1989 among MinVen Gold (USA) Corporation, Brohm Mining Corp., Compass Mining, Inc. and Barrier Reef, Inc. (collectively, the "Borrowers") and the Bank (the "Agreement"), which are secured by the insured mortgage, shall be included within the coverage of this policy, provided that said vestee is the owner of the estate or interest covered by said policy at the date any such advances are made and subject to the limitations hereinafter set forth.

The Company further assures the Insured that such subsequent advances shall have the same priority over liens, encumbrances and other matters disclosed by the public records, as do advances secured by the insured mortgage as of Date of Policy, except for the following matters, if any, disclosed by the public records subsequent to policy date:

- a. Federal tax liens.
- b. Bankruptcies affecting the estate of the vestee prior to date of such advances.

In addition to (a) and (b) above, the following matter will apply to advances made subsequent to the occurrence of an event of default under the provisions of the insured mortgage:

Liens, encumbrances or other matters, the existence of which are actually known to the Insured prior to date of such advances (but excluding any statutory lien for labor or material).

This endorsement expressly excludes from coverage any lapse in the effectiveness of the lien of the insured mortgage by reason of the failure to comply with provisions of 44-8-26 SDCL for filing an addendum to continue lien.

As used herein, the term "advance" shall include all "Advances" as such term is defined in the Agreement.

This endorsement is made a part of the policy or commitment and is subject to all the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy or commitment and prior endorsements, if any, nor does it extend the effective date of the policy or commitment and prior endorsements or increase the face amount thereof.

CHICAGO TITLE INSURANCE COMPANY  
OF IDAHO

By .....  
Authorized Signature

## ENDORSEMENT

Dated: 1-30-89

Premium: \$ \$100.00

Attached To Policy No. 42-3267-92-000224

Issued by


### CHICAGO TITLE INSURANCE COMPANY OF IDAHO

The Company hereby assures the Insured that (A) except for any exception set forth in Part I of Schedule B which affects the fee title underlying the leasehold or subleasehold estates identified in Schedule A, there are no exceptions to or matters shown by the public records at date of policy affecting said underlying fee title which are senior in priority to said leasehold or subleasehold estates, and (B) except for any such exception or any default by Grantor in complying with the conditions of said leasehold or subleasehold estates, there are no matters shown by the public records at date of policy affecting said underlying fee title under which said leasehold or subleasehold estates may be cut off or curtailed.

The Company hereby insures the Insured against loss which said Insured shall sustain in the event that the assurance herein shall prove to be incorrect.

This endorsement is made a part of the policy or commitment and is subject to all the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy or commitment and prior endorsements, if any, nor does it extend the effective date of the policy or commitment and prior endorsements or increase the face amount thereof.

CHICAGO TITLE INSURANCE COMPANY  
OF IDAHO

By  .....  
Authorized Signature



In 1986, Brohm acquired 100% interest in the Gilt Edge gold property in South Dakota from Lacana Gold Inc., the US arm of Lacana Mining Corporation of Toronto, for cash, stock, and stock options. Lacana had identified a large tonnage of low-grade gold deposits, estimated at 3.4 million tons grading 1.8 grams per ton of gold with an additional potential for 9 million tons averaging 1.7 grams per ton gold. Approximately \$6 million (US) have been spent on exploration and development of the property. Lacana's Vice President, Harvey Sobel is to join Brom (Gilt Edge Sale Mining Journal).

In 1984, Lacana Mining Corporation of Toronto owned 75% interest in its American-based subsidiary Lacana Gold Inc. (Lacana Share Switch). In 1986, Lacana Mining Corporation completed the purchase of the remaining 25% interest in Lacana Gold Inc. Lacana Mining Corporation purchased 1,634,000 shares, thus making Lacana Gold Inc. a wholly-owned subsidiary (completes purchase of minority interest).

In 1986, Lacana Gold Inc. conveyed all of its interest in Gilt Edge Inc. to Brohm in a stock transition. Since Gilt Edge Inc. is a wholly-owned subsidiary of Lacana Gold Inc. and pursuant to Paragraph 11.1 of Article XI of the aforesaid Mining Agreement, Lacana Gold Inc. can assign the said Mining Agreement to Gilt Edge Inc. without the consent of Cyprus or CoCa. The document states that the Assignee (Gilt Edge Inc.) hereby assumes, receives and accepts from the Assignor (Lacana Gold Inc.) all of the Assignor's right, title, and interest in and to the aforesaid Mining Agreement and any burdens associated therewith (COCA-01-024).

In 1980, Western Mines Limited agreed to buy 1.1 million shares or more than 14% of Lacana Mining Corporation's outstanding stock and all of Du Pont's holdings. Western Mines Limited also agreed to purchase 1 million Lacana treasury shares and it had a 3-year option to buy an additional 1 million shares from Lacana (Western Mines and Lacana stock). In 1980, Brascan Resources Ltd. and Western Mines Limited merged to create Westmin Resources Limited (Drawing on a strong resource base). In 1985, Westmin owned 28% interest in Lacana Mining Corporation (Westmin's long life mine set to go). In February 1987, Westmin sold 3.1 million shares of Lacana Mining Corporation to Royex Gold Mining Corporation for a total of \$34.7 million, Canadian (Westmin 1987 sale). In March 1987, Lacana Gold issued 6 million preferred shares to a wholly-owned subsidiary of Royex Gold Mining Corporation as part of a \$150-million package of cash and securities paid by Lacana Gold to Royex for Royex's 51 percent interest in Mascot gold Mines Limited. The Lacana Gold preferred shares were exchangeable, on a one-to-one basis, into common shares of Lacana Mining. The issuance of additional common shares by Lacana and subsequent share exchange, will have the net effect of increasing Royex's interest in Lacana Mining from 25 to 44 percent (Lacana Holders approve offering).

At a special meeting held on April 28, 1986, the shareholders of Lacana Mining Corporation approved the issuance of up to 6 million common shares of the company in exchange for certain preferred shares of Lacana Gold Corp., a wholly-owned subsidiary of Lacana Mining Corp., in connection with the acquisition of 51% interest in Mascot Gold Limited (Lacana Mining Financial Results).

Lacana Gold Inc., formerly known as Lacana Mining Inc., the name change being effectuated by appropriate documents filed with the Nevada Secretary of State on July 9, 1984 (COCA-01-024). Lacana Mining Co., parent of Lacana Gold Inc., was part of an amalgamation of eight companies in 1988, with the surviving company known as Corona Corporation, incorporated in Ontario. The eight companies included International Corona Resources, Ltd., Royex Gold Mining Corporation, Lacana Mining Corporation, Mascot Gold Mines Ltd., Galveston Resources Ltd., and three subsidiaries (1988 Corona merger and Corona Lacana merger). At this time, the subsidiary, Lacana Gold Inc. was renamed Corona Gold Inc. In 1992, Corona Corporation, which had been renamed International Corona Corporation was purchased by Homestake Mining Co. and renamed Homestake Canada Inc. (Homestake Mining Co\_SEC Filing 2001). In 1996, the assets of Corona Gold Inc. were transferred for fair market value by a quitclaim deed and assignment of interest to Homestake Mining of California. Corona Gold Inc. was then dissolved. According to Nevada law its remaining cash assets transferred to its sole shareholder, Homestake Canada Inc. In December 2001, Barrick acquired the 125-year-old Homestake Mining Company in a \$2.3 billion share exchange (Homestake-Poor and Standards, Homestake-Hoovers). In 2003, Homestake Canada Inc. was renamed as Barrick Gold Inc. (Barrick-Nelson).

Barrick Gold Corporation was originally incorporated under Ontario law on July 14, 1984 as Barrick Resources Corporation, the amalgamation of Barrick Resources Corporation, Camflo Mines Limited, and Bob Clare Investments Limited. The amalgamation occurred through stock transfers of Common and Preferred shares between the three companies. Barrick Resources Corporation changed its name to American Barrick Resources Corporation on December 9, 1985 and changed its name again on January 1, 1995 to Barrick Gold Corporation. In December 2001, Barrick acquired Homestake Mining Company (Barrick-Poor and Standards, Barrick-Hoovers). In 2003, Homestake Canada Inc. was renamed as Barrick Gold Inc. (Barrick-Nelson). Barrick Gold Corporation acquired Placer Dome Inc. in 2006, Pioneer Metals Corporation in 2007, Arizona Star Resources Corporation in 2008, and Candence Energy Inc. in 2008 (Barrick-Poor and Standard).

FOLLOWING AGMT EXTENDED TO JULY

SUPPLEMENTAL PROSEC - LAW ANALYSIS

JOINT VENTURE - ISSUE OF COMMON LAW PARTNERSHIP PRINCIPLE

PARTNERSHIP LAW UNDER SD

TO LETTER REPORT ASSESSING SD CASE LAW ON PARTNERSHIPS

1976 : LOOK @ JV AGMT B/W CYPRUS & CONGO : CAREY AGMT

DEADLINE GOAL

END OF  
MARCH  
2009

- DEMO ARGUMENT
- TECHNICALLY - CASE NOT MADE ABOUT RELEASE

APRIL - MAY  
NEED DATE

CDM IS DOING TECH ANALYSIS BASED ON PRESENT DAY  
1972 - 1985

TOEROCK - HISTORICAL ANALYSIS BY YEAR WITH AS  
MUCH DETAIL AS POSSIBLE - OPERATIONS ?  
THEIR COSTS  
UNTIL BROWN

- LAND ACQUISITION
- OPERATIONS
- INTERACTION B/W PARTIES / PARTNERS / OPERATORS
- COST INFO

IMAGES OF (O4(e) RESPONSES - GET TO REC. CTX.

= COCA  
= PHEPIS

CYPRUS MWES  
CYPRUS AMAX

} FOLLOW UP  
MID-DEC.

BARRACK  
BRATNER

COORDINATE  
WITH RC

SCHEDULE OF PREPAID INSURANCE  
ACCOUNT 112009  
PREMIUM FOR BINDER COVERAGE WITH ECS

09-29-92	09-29-92 BIND COVERAGE WITH ECS		\$50,000.00
09-29-92	September 1992 Premium	\$4,166.67	\$45,833.33
10-29-92	October 1992 Premium	\$4,166.67	\$41,666.66
11-29-92	November 1992 Premium	\$4,166.67	\$37,499.99
12-29-92	December 1992 Premium	\$4,166.67	\$33,333.32
01-29-93	January 1993 Premium	\$4,166.67	\$29,166.65
02-29-93	February 1993 Premium	\$4,166.67	\$24,999.98
03-29-93	March 1993 Premium	\$4,166.67	\$20,833.31
04-29-93	April 1993 Premium	\$4,166.67	\$16,666.64
05-29-93	May 1993 Premium	\$4,166.67	\$12,499.97
06-29-93	June 1993 Premium	\$4,166.67	\$8,333.30
07-29-93	July 1993 Premium	\$4,166.67	\$4,166.63
08-29-93	August 1993 Premium	\$4,166.63	\$0.00

New 176 (from 16)  
11/24/08

## TELECOMMUNICATIONS COVER PAGE



MARSH &amp; McLENNAN, INCORPORATED

One Northwest Center  
1700 Lincoln Street, Suite 4900  
Denver, Colorado 80203

EQUIPMENT/PHONE NUMBERS:

Parade: MIV 300 (303) 861-8123

(14 Hours)

Telephone (303) 861-7111

281392

URGENT

ROUTINE

DATE 9/28/92

TIME

NUMBER OF PAGES INCLUDING COVER 1

TO:

NAME:

David Layman

FIRM:

Minven Gold

DEPT:

CITY:

Lakewood

FAX #:

980-5303

FROM: NAME:

Jenny Hill

RE:

First Party Pollution Clean-up Coverage

David:

As I mentioned to Bind coverage with EES they want 100% of quoted premium. The money can be wire transferred - the following is the account information

Environmental Compliance Services, Inc.

Freedom Valley Bank

1522 McDowell Drive

West Chester, PA 9382

(215) - 430 - 0321

Account # 3306188 ; ABA # 031901929

Premium due \$50,000

Generally they should receive the money the same day and we can proceed with the issuance of a binder once the premium is received.

Please let me know as soon as the wire transfer is done so I can contact EES and proceed with the binder. Thanks.

The information contained in this facsimile message is confidential, may be privileged, and is intended only for the use of the individual or entity named above. If you, the reader of the message, are not the intended recipient, or the agent or employee responsible for delivering the transmission to the intended recipient, you are expressly prohibited from copying, disseminating, distributing or in any other way using any of the information contained in this facsimile message.



# INSURANCE BINDER

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM.

Binder No.

345

NAME AND ADDRESS OF AGENCY

☐ COBURN INSURANCE AGENCY  
PO Box 507  
Deadwood, SD 57732

COMPANY

CONTINENTAL INSURANCE COMPANY

Effective 12:01 A m 9/25/1986

Expires ☒ 12:01 am ☐ Noon 10/25/1986

☐ This binder is issued to extend coverage in the above named company per expiring policy # \_\_\_\_\_ (except as noted below)

NAME AND MAILING ADDRESS OF INSURED

GILT EDGE, INC.  
PO Box 485  
Deadwood, SD 57732

Description of Operation/Vehicles/Property

Vacant land (1300 acres), office & warehouse

Type and Location of Property		Coverage/Perils/Forms	Amt of Insurance	Ded.	Coins. %
PROPERTY	Office & Warehouse equipment	Fire, E.C., V&MM & Optional Perils	\$3,000	100	80
LIABILITY	Type of Insurance	Coverage/Forms	Limits of Liability		
	<input checked="" type="checkbox"/> Scheduled Form <input type="checkbox"/> Comprehensive Form <input checked="" type="checkbox"/> Premises/Operations <input type="checkbox"/> Products/Completed Operations <input type="checkbox"/> Contractual <input type="checkbox"/> Other (specify below) <input checked="" type="checkbox"/> Med. Pay. \$ 500 Per Person \$ 10,000 Per Acc-ident <input type="checkbox"/> Personal Injury	OL&T <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C	Bodily Injury \$ Property Damage \$ Bodily Injury & Property Damage Combined \$ 500,000 Personal Injury \$	Each Occurrence Aggregate \$ 500,000 \$	
AUTOMOBILE	<input checked="" type="checkbox"/> Liability <input checked="" type="checkbox"/> Non-owned <input checked="" type="checkbox"/> Hired <input checked="" type="checkbox"/> Comprehensive-Deductible \$ 100 <input checked="" type="checkbox"/> Collision-Deductible \$ 250 <input type="checkbox"/> Medical Payments \$ <input type="checkbox"/> Uninsured Motorist \$ <input type="checkbox"/> No Fault (specify): <input type="checkbox"/> Other (specify):		Limits of Liability Bodily Injury (Each Person) \$ Bodily Injury (Each Accident) \$ Property Damage \$ Bodily Injury & Property Damage Combined \$ 500,000		

☐ WORKERS' COMPENSATION — Statutory Limits (specify states below)

☐ EMPLOYERS' LIABILITY — Limit \$

SPECIAL CONDITIONS/OTHER COVERAGES

NAME AND ADDRESS OF ☐ MORTGAGEE ☐ LOSS PAYEE ☐ ADD'L INSURED  
LOAN NUMBER

Signature of Authorized Representative

9/25/86  
Date



# INSURANCE BINDER

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT  
TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM.

Binder No.

346

NAME AND ADDRESS OF AGENCY

☐ COBURN INSURANCE AGENCY  
PO Box 507  
Deadwood, SD 57732

COMPANY

MOUNTAIN STATES COUNCIL ON COMPENSATION

Effective 12:01 A m 9/25/1986

Expires ☒ 12:01 am ☐ Noon 10/25/1986

☐ This binder is issued to extend coverage in the above named  
company per expiring policy # \_\_\_\_\_  
(except as noted below)

NAME AND MAILING ADDRESS OF INSURED

GILT EDGE, INC.  
PO Box 485  
Deadwood, SD 57732

Description of Operation/Vehicles/Property

Vacant land, office and warehouse

Type and Location of Property		Coverage/Perils/Forms	Amt of Insurance	Ded.	Coins. %
PROPERTY					
LIABILITY	Type of Insurance	Coverage/Forms	Limits of Liability		
	<input type="checkbox"/> Scheduled Form <input type="checkbox"/> Comprehensive Form <input type="checkbox"/> Premises/Operations <input type="checkbox"/> Products/Completed Operations <input type="checkbox"/> Contractual <input type="checkbox"/> Other (specify below) <input type="checkbox"/> Med. Pay. \$ _____ Per Person \$ _____ Per Accident <input type="checkbox"/> Personal Injury	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C	Bodily Injury	\$ _____	\$ _____
AUTOMOBILE	<input type="checkbox"/> Liability <input type="checkbox"/> Non-owned <input type="checkbox"/> Hired <input type="checkbox"/> Comprehensive-Deductible \$ _____ <input type="checkbox"/> Collision-Deductible \$ _____ <input type="checkbox"/> Medical Payments \$ _____ <input type="checkbox"/> Uninsured Motorist \$ _____ <input type="checkbox"/> No Fault (specify): <input type="checkbox"/> Other (specify):		Property Damage	\$ _____	\$ _____
			Bodily Injury & Property Damage Combined	\$ _____	\$ _____
			Personal Injury	\$ _____	\$ _____
			Limits of Liability		
			Bodily Injury (Each Person)	\$ _____	\$ _____
			Bodily Injury (Each Accident)	\$ _____	\$ _____
			Property Damage	\$ _____	\$ _____
			Bodily Injury & Property Damage Combined	\$ _____	\$ _____

☒ WORKERS' COMPENSATION — Statutory Limits (specify states below)

☒ EMPLOYERS' LIABILITY — Limit \$ 100/500/100

SPECIAL CONDITIONS/OTHER COVERAGES

Including but not limited to:

Engineers  
Mining  
Carpentry  
Clerical and Excavation

NAME AND ADDRESS OF ☐ MORTGAGEE ☐ LOSS PAYEE ☐ ADD L INSURED

LOAN NUMBER

Signature of Authorized Representative

9/25/86  
Date



# INSURANCE BINDER

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT  
TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM.

Binder No.

361

NAME AND ADDRESS OF AGENCY

☐ COBURN INSURANCE AGENCY  
P O Box 507  
Deadwood, SD 57732

COMPANY

CONTINENTAL INSURANCE COMPANY

Effective 12:01 A m 10-25 ,19 86

Expires ☒ 12:01 am ☐ Noon 11-25 ,19 86

☐ This binder is issued to extend coverage in the above named  
company per expiring policy # \_\_\_\_\_  
(except as noted below)

NAME AND MAILING ADDRESS OF INSURED

GILT EDGE, INC.  
P O Box 485  
Deadwood, SD 57732

Description of Operation/Vehicles/Property

Vacant land (1300 acres) Office & Warehouse

Type and Location of Property	Coverage/Perils/Forms	Amt of Insurance	Ded.	Coins. %
PROPERTY Office & Warehouse equipment	Fire, E.C., V&MM & Optional Perils	\$ 3,000	100	80

Type of Insurance	Coverage/Forms	Limits of Liability	
		Each Occurrence	Aggregate
<input checked="" type="checkbox"/> Scheduled Form <input type="checkbox"/> Comprehensive Form <input checked="" type="checkbox"/> Premises/Operations <input type="checkbox"/> Products/Completed Operations <input type="checkbox"/> Contractual <input type="checkbox"/> Other (specify below)	OL&T <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C	Bodily Injury	\$
		Property Damage	\$
		Bodily Injury & Property Damage Combined	\$ 500,000
		Personal Injury	\$
<input checked="" type="checkbox"/> Med. Pay. \$ 500 Per Person \$ 10,000 Per Accident <input type="checkbox"/> Personal Injury			

Type of Insurance	Coverage/Forms	Limits of Liability	
		Each Occurrence	Aggregate
<input checked="" type="checkbox"/> Liability <input checked="" type="checkbox"/> Non-owned <input checked="" type="checkbox"/> Hired <input checked="" type="checkbox"/> Comprehensive-Deductible \$ 100 <input checked="" type="checkbox"/> Collision-Deductible \$ 250 <input type="checkbox"/> Medical Payments \$ <input type="checkbox"/> Uninsured Motorist \$ <input type="checkbox"/> No Fault (specify): <input type="checkbox"/> Other (specify):		Bodily Injury (Each Person)	\$
		Bodily Injury (Each Accident)	\$
		Property Damage	\$
		Bodily Injury & Property Damage Combined	\$500,000

☐ WORKERS' COMPENSATION — Statutory Limits (specify states below)

☐ EMPLOYERS' LIABILITY — Limit \$

SPECIAL CONDITIONS/OTHER COVERAGES

NAME AND ADDRESS OF ☐ MORTGAGEE ☐ LOSS PAYEE ☐ ADD'L INSURED

LOAN NUMBER

Signature of Authorized Representative

Date

10-24-86



This endorsement forms a part of the designated policy and applies, unless otherwise stated herein, as of the effective time and date of such policy.

Issued By  
The Continental Insurance Company  
10901 Red Circle Drive  
Minnetonka, MN 55343-9123

11

Policy No.

L2 71 83 12

Producer's  
Name  
and  
Address

Coburn Insurance Agency  
Box 507  
Deadwood, SD 57732

Producer's Code

40 181 042

Effective

12-8

1986 at 12:01A.M.  
Hour and Minute

Named  
Insured  
and Address  
(Number and  
Street, Town or  
City, County  
and State)

Gilt Edge, Inc.  
Box 485  
Deadwood, SD 57732

ON ACCOUNT OF THE FOLLOWING THE

ADDITIONAL PREMIUM IS \$ waived

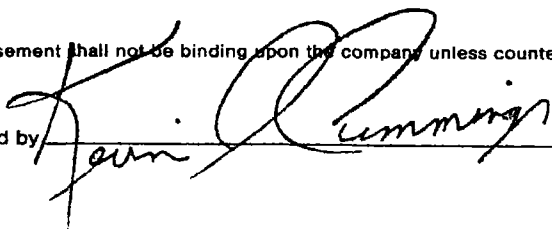
RETURN PREMIUM IS \$ --

End. #1

It is hereby agreed and understood, the limits of liability  
is increased as per attached GL 9917.

This endorsement shall not be binding upon the company unless countersigned by a duly authorized representative of the company.

Countersigned by



LAB 7251 SET

C-P

Printed in U.S.A.



This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The following information is required only when this endorsement is issued subsequent to preparation of policy.)

Endorsement effective

Policy No. L2 71 83 12

Endorsement No. #1a

Named Insured

Countersigned by \_\_\_\_\_  
(Authorized Representative)

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:

**COMPREHENSIVE GENERAL LIABILITY INSURANCE  
COMPLETED OPERATIONS AND PRODUCTS LIABILITY INSURANCE  
CONTRACTUAL LIABILITY INSURANCE  
MANUFACTURERS AND CONTRACTORS LIABILITY INSURANCE  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY INSURANCE  
OWNERS, LANDLORDS AND TENANTS LIABILITY INSURANCE**

**AMENDMENT—LIMITS OF LIABILITY**

(Single Limit)

(Individual Coverage Aggregate Limit)

**SCHEDULE**

Coverage	Limits of Liability
Bodily Injury Liability and Property Damage Liability	\$1,000,000 each occurrence \$ — ,000 aggregate

It is agreed that the provisions of the policy captioned "LIMITS OF LIABILITY" relating to Bodily Injury Liability and Property Damage Liability are amended to read as follows:

**LIMITS OF LIABILITY**

Regardless of the number of (1) insureds under this policy, (2) persons or organizations who sustain bodily injury or property damage, or (3) claims made or suits brought on account of bodily injury or property damage, the company's liability is limited as follows:

**Bodily Injury Liability and Property Damage Liability:**

- (a) The limit of liability stated in the Schedule of this endorsement as applicable to "each occurrence" is the total limit of the company's liability for all damages including damages for care and loss of services because of bodily injury and property damage sustained by one or more persons or organizations as a result of any one occurrence, provided that with respect to any occurrence for which notice of this policy is given in lieu of security or when this policy is certified as proof of financial responsibility under the provisions of the Motor Vehicle Financial Responsibility Law of any state or province such limit of liability shall be applied to provide the separate limits required by such law for Bodily Injury Liability and Property Damage Liability to the extent of the coverage required by such law, but the separate application of such limit shall not increase the total limit of the company's liability.
- (b) Subject to the above provision respecting "each occurrence", the total liability of the company for all damages because of all bodily injury and property damage which occurs during each annual period while this policy is in force commencing from its effective date and which is described in any of the numbered subparagraphs below shall not exceed the limit of liability stated in the Schedule of this endorsement as "aggregate":
- (1) all property damage arising out of premises or operations rated on a remuneration basis or Contractor's equipment rated on a receipts basis, including property damage for which liability is assumed under any incidental contract relating to such premises or operations, but excluding property damage

included in subparagraph (2) below;

- (2) all property damage arising out of and occurring in the course of operations performed for the named insured by independent contractors and general supervision thereof by the named insured, including any such property damage for which liability is assumed under any incidental contract relating to such operations, but this subparagraph (2) does not include property damage arising out of maintenance or repairs at premises owned by or rented to the named insured or structural alterations at such premises which do not involve changing the size of or moving buildings or other structures;
- (3) if Products—Completed Operations insurance is afforded, all bodily injury and property damage included within the completed operations hazard and all bodily injury and property damage included within the products hazard;
- (4) if Contractual Liability Insurance is afforded, all property damage for which liability is assumed under any contract to which the Contractual Liability Insurance applies.

Such aggregate limit shall apply separately:

- (i) to the property damage described in subparagraphs (1) and (2) and separately with respect to each project away from premises owned by or rented to the named insured;
- (ii) to the sum of the damages for all bodily injury and property damages described in subparagraph (3); and
- (iii) to the property damage described in subparagraph (4) and separately with respect to each project away from premises owned by or rented to the named insured.
- (c) For the purpose of determining the limit of the company's liability, all bodily injury and property damage arising out of continuous or repeated exposure to substantially the same general condition shall be considered as arising out of one occurrence.

# GENERAL CHANGE ENDORSEMENT

The policy is hereby amended in accordance with any entry shown below:

Issued By  
The Continental Insurance Company  
10901 Red Circle Drive  
Minnetonka, Minnesota 55343-9123

11

End. #1

Policy No.

LBA 2 94 94 24

Producer's  
Name  
and  
Address  
Zip Code

Coburn Insurance Agency  
P.O. Box 507  
Deadwood, South Dakota 57732

Producer's Code

40 181 042

Effective

12/08/86 1986 at 12:01A  
HOUR AND  
MINUTE

Named  
Insured  
and Address  
(Number and  
Street, Town or  
City, County,  
State and  
Zip Code)

Gilt Edge, Inc.  
P.O. Box 485  
Deadwood, South Dakota 57732

☐ NAME CHANGE  
Indicate by ☒ if named  
insured is changed from  
that shown in the policy.

☐ ADDRESS CHANGE  
Indicate by ☒ if address  
of the insured is changed  
from that shown in the  
policy.

The limits of the company's liability are amended as follows: Limit of LIAB. \$1,000,000.

Coverages		LIABILITY INSURANCE	PERSONAL INJURY PROTECTION	Added P.I.P.	Property Protection Insurance (PPI) (Michigan only)	Auto Medical Payments Insurance	Uninsured Motorists Insurance	Physical Damage Insurance			
		Each Accident				each person	Each Accident	Comprehensive Coverage	Specified Perils Coverage	Collision Coverage	Towing & Labor (Not Available in California)
Applicable Limits	Covered Auto No.	\$ 1,000,000.	\$ --	\$ --	\$ --	\$ 5,000.	\$ 500,000.	\$ 100. Deductible	\$25 Deductible	\$ 250. Deductible	Per each Disablement \$25.
Deleted Annual Premiums or Coverages		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Added Annual Premiums or Coverages	1	\$ 326.	\$	\$	\$	\$ 41.	\$ 13.	\$ 139.	\$ ---	\$ 260.	\$
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Hired Autos \$40. M.P. Non-Owned Autos \$40.								Total Return Premiums	\$ --		
								Total Additional Premiums	\$ 41.		

It is agreed that the policy is amended as designated by an "X"

☐ Eliminate Car(s) -

The insurance terminates on the automobile described in the policy, except that if more than one automobile is described therein, the insurance terminates on [Identify Auto No(s):] \_\_\_\_\_

☐ Add Car(s) - The insurance applies on the following described automobile(s):

NO.	YEAR	TRADE NAME	BODY TYPE SEDAN, TRUCK, TRACTOR, TRAILER, BUS, ETC.	SIZE REGISTRATION GROSS VEH. WEIGHT OR GROSS COMB. WEIGHT OF BUS, PASS. CAPACITY	COMMERCIAL VEHICLE - MOTOR SERIAL NUMBER	PURCHASE INFORMATION				• RADIUS CLASS	RATING INFORMATION FACTORS CODES		
					PRIVATE PASSENGER VEHICLE IDENTIFICATION NUMBER	MONTH YEAR	SYMBOL AGE	TOTAL COST	NEW - N USED - U	# USE CLASS	PRIM	SECOND.	COMB.
											F		
											C		
											F		
											C		
											F		
											C		
		Car No.	Name and Address										
<input type="checkbox"/> Loss Payee													

☐ Change Place of Principal Garaging

☐ Garage Location

☐ Other Changes (Describe)

•RADIUS CLASS

A = 50 miles  
B = 51-200 miles  
C = over 200 miles

# USE CLASS

1 = Service  
2 = Retail  
3 = Commercial

This endorsement shall not be binding upon the company unless countersigned by a duly authorized representative of the company.

This endorsement forms a part of the designated policy and applies, unless otherwise stated herein, as of the effective time and date of such policy.

Countersigned by  
AUTO 8389A (ED 1-80)

Printed in U.S.A.

# GENERAL CHANGE ENDORSEMENT

The policy is hereby amended in accordance with any entry shown below:

Issued By  Producer's Name and Address Zip Code  Named Insured and Address (Number and Street, Town or City, County, State and Zip Code)	<b>The Continental Insurance Company</b> 10901 Red Circle Drive Minnetonka, Minnesota 55343-9123  <b>Coburn Insurance Agency</b> P.O. Box 507 Deadwood, South Dakota 57732  <b>Gilt Edge, Inc.</b> P.O. Box 485 Deadwood, South Dakota 57732	11  Producer's Code  40 181 042	End. #1  Policy No.  LBA 2 94 94 24  Effective 12/08/86 19 86 at 12:01A <small>HOUR AND MINUTE</small>
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☐ **NAME CHANGE**  
Indicate by [X] if named insured is changed from that shown in the policy.

☐ **ADDRESS CHANGE**  
Indicate by [X] if address of the insured is changed from that shown in the policy.

The limits of the company's liability are amended as follows: **Limit of LIAB. \$1,000,000.**

Coverages	Applicable Limits	Covered Auto No.	LIABILITY INSURANCE	PERSONAL INJURY PROTECTION	Added P.I.P.	Property Protection Insurance (PPI) (Michigan only)	Auto Medical Payments Insurance	Uninsured Motorists Insurance	Physical Damage Insurance			
			Each Accident				each person	Each Accident	Comprehensive Coverage	Specified Perils Coverage	Collision Coverage	Towing & Labor (Not Available in California)
			\$ 1,000,000.	\$ --	\$ --	\$ --	\$ 5,000.	\$ 500,000.	\$ 100. Deductible	\$25 Deductible	\$ 250. Deductible	Per each Disbursement \$25.
Deleted Annual Premiums or Coverages			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Added Annual Premiums or Coverages	1		\$ 326.	\$	\$	\$	\$ 41.	\$ 13.	\$ 139.	\$ ---	\$ 260.	\$

**Hired Autos \$40. M.P.**  
**Non-Owned Autos \$40.**

Total Return Premiums	\$ --
Total Additional Premiums	\$ 41

It is agreed that the policy is amended as designated by an "X"

☐ **Eliminate Car(s)** - The insurance terminates on the automobile described in the policy, except that if more than one automobile is described therein, the insurance terminates on (Identify Auto No(s):)

☐ **Add Car(s)** - The insurance applies on the following described automobile(s):

NO.	YEAR	TRADE NAME	BODY TYPE SEDAN, TRUCK, TRACTOR, TRAILER, BUS, ETC.	SIZE REGISTRATION GROSS VEH. WEIGHT OR GROSS COMB. WEIGHT OF BUS, PASS. CAPACITY	COMMERCIAL VEHICLE - MOTOR SERIAL NUMBER	PURCHASE INFORMATION			• RADIUS CLASS	RATING INFORMATION FACTORS CODES		
					PRIVATE PASSENGER VEHICLE IDENTIFICATION NUMBER	MONTH YEAR	SYMBOL AGE	TOTAL COST NEW = N USED = U		# USE CLASS	PRIM.	SECOND.
										F		
										C		
										F		
										C		
										F		
										C		

☐ **Loss Payee**

Car No. \_\_\_\_\_  
 Name and Address \_\_\_\_\_  
 \_\_\_\_\_

☐ **Change Place of Principal Garaging**    
 ☐ **Garage Location**    
 ☐ **Other Changes (Describe)**

This endorsement shall not be binding upon the company unless countersigned by a duly authorized representative of the company.  
 This endorsement forms a part of the designated policy and applies, unless otherwise stated herein, as of the effective time and date of such policy.

Countersigned by \_\_\_\_\_

**• RADIUS CLASS**  
 A = 50 miles  
 B = 51-200 miles  
 C = over 200 miles

**# USE CLASS**  
 1 = Service  
 2 = Retail  
 3 = Commercial

**ALL - WRITE INSURANCE AGENCY, INC.**  
**44 SHERMAN STREET**  
**DEADWOOD, S. D. 57732**

CERTIFICATE OF INSURANCE

ISSUE DATE

3-6-88

INSURED

NORTHERN HILLS TRANSPORT  
P.O. BOX 819  
STURGIS, SD 57785

CERTIFICATE HOLDER

SILT EDGE INCORPORATED,  
P.O. BOX 485  
DEADWOOD, SOUTH DAKOTA  
57732

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE:

COMPANY LETTER A = PROGRESSIVE NCI

This is to certify that policies of insurance listed below have been issued to the insured named above for the policy period indicated, notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions, and conditions of such policies.

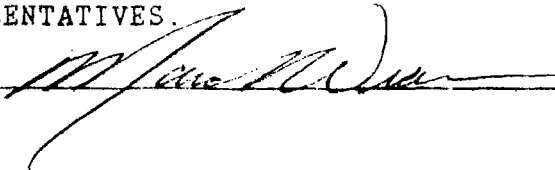
CO	TYPE OF	POLICY	EFFEC	EXPIR	ALL LIMITS IN THOUSANDS
LTR	INSURANCE	NUMBER	DATE	DATE	
	AUTO LIAB	LH3771379	3-6-88	3-6-89	CSL \$ 750
A	SCHEDULED AUTO				
A	HIRED AUTO				
	CARGO				
	WORKERS' COMP AND EMPLOYER LIAB				STATUTORY \$ PER ACCIDENT \$ DISEASE-POL LIMIT

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS

ALL SCHEDULED VEHICLES

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED ABOVE, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



New 176 (from 16 11/24/88)

**COBURN INSURANCE AGENCY  
67 SHERMAN STREET - BOX 507  
DEADWOOD, SOUTH DAKOTA 57732**

**PHONE (605) 578-3456**

**KEVIN C. CUMMINGS, CIC**  
President

**A.A. (Bud) COBURN**  
Agent

**BROHM MINING CORPORATION**

Policy Period - July 1, 1987 to July 1, 1988

**PROPERTY**

Office Contents - Deadwood	\$ 5,000
Extra Expense	2,000
Warehouse Contents - Galena Road	3,000
Extra Expense	1,000
Computers	?

**GENERAL LIABILITY**

Bodily Injury & Property Damage \$ 1,000,000

**Based on:**

Premises operations - mining-surface - payroll \$622,000  
Independent Contractors - Tons of ore moved  
Cost of Sub-Contract \$4,400,000  
Completed Operations - based on Tons of Ore \$2,200,000

**AUTOMOBILE**

Bodily Injury & Property Damage \$ 1,000,000

79 Chev. P.U.	#6100	88 Chev. P.U.	#2910
86 Chev. Blazer	2108	87 Chev ½T	0141
87 Chev. P.U.	0596	87 Chev ½T	4091
87 Chev. P.U.	1066	87 Chev Blazer	2454
87 Chev. Blazer	2922	87 Ford F150	1998

\$100 Ded. Comp - \$250 Ded. Collision

**UMBRELLA POLICY (excess)**

\$ 2,000,000

Where insurance is a business . . . not a sideline.



New 176 (from 16)  
11/24/88

# MASTER INSURANCE POLICY

Exp. 7/1/88

## GENERAL CHANGE ENDORSEMENT

This endorsement, from its effective date, forms a part of Policy No. MP <u>092871010</u>		Branch Office and Agent Mpls., MN Coburn Ins. Agency Deadwood, SD 47-4992
Endorsement effective date <u>8/5/87</u>		
Issued By <u>United States Fidelity &amp; Guaranty Company</u>	(Company)	
Named Insured <u>BROHM MINING CORP.</u>		

(The spaces above are to be completed only if this endorsement is issued subsequent to the issuance of the policy)

It is hereby understood and agreed that Location #1 is changed as follows:

DELETE:

Location #1 Contents and Extra Expense - 825 Main Street  
Suite 4,5,6,7  
Spearfish, South Dakota

ADD:

Location #1 Contents and Extra Expense as follows:

\$60,000. - 90% Co-Ins. - \$250. deductible  
Coverage B - On Personal Property contained in one-story,  
frame building occupied as office

\$6,000. - Extra Expense (40-80-100%)

Situated: 20 Cliff Street  
Deadwood, South Dakota

All other terms and conditions remain as is.

Dated 9/4/87/lf

Countersigned by Coburn Insurance Agency, Deadwood, SD 47-4992  
Authorized Representative



# MASTER INSURANCE POLICY

Exp. 7/1/88

## PREMIUM CHANGE ENDORSEMENT

This endorsement forms a part of Policy No. MP <u>092871010</u>		Branch Office and Agent Mpls., MN Coburn Ins. Agency Deadwood, SD 47-4992
Policy Period Term <u>one</u> year(s) from <u>7/1/87</u> to <u>7/1/88</u>		
Issued by <u>United States Fidelity &amp; Guaranty Company</u> (Company)		
Named Insured <u>BROHM MINING CORP.</u>		

Premium Change Endorsement No. 1

In accordance with endorsement(s) effective 8/5/87

forming part of Division(s) I, the total policy premium is amended as indicated below.

**RECEIVED**

SEP 14 87

Accounts Payable

## PREMIUM RECAPITULATION

Due at Endorsement Effective Date:

8/5/87

Additional Premium	Return Premium
\$ <u>372.</u>	\$

Premium adjustment if the Premium is payable in annual installments.

Dates Due	Previous Installments	Increase	Decrease	Revised Installments
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$

Total premium to  
Policy Expiration

Dated 9/4/87/lr

MIP-610 (1/83)

Countersigned by

*John Cummings*  
Coburn Ins. Agency, Deadwood, SD 47-4992

Authorized Representative





# MASTER INSURANCE POLICY

Exp. 7/1/88

## PREMIUM CHANGE ENDORSEMENT

This endorsement forms a part of Policy No. MP <u>092871010</u>	Branch Office and Agent <b>Mpls., MN</b> <b>Coburn Ins. Agency</b> <b>Deadwood, SD 47-4992</b>
Policy Period Term <u>one</u> year(s) from <u>7/1/87</u> to <u>7/1/88</u>	
Issued by <u>United States Fidelity &amp; Guaranty Company</u> (Company)	
Named Insured <u>BROHM MINING CORP.</u>	

Premium Change Endorsement No. 1

In accordance with endorsement(s) effective 8/5/87  
forming part of Division(s) I, the total policy premium is amended as indicated below.

## PREMIUM RECAPITULATION

Due at Endorsement Effective Date:

8/5/87

Additional Premium	Return Premium
\$ <u>372.</u>	\$

Premium adjustment if the Premium is payable in annual installments.

Dates Due	Previous Installments	Increase	Decrease	Revised Installments
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$
Total premium to Policy Expiration				

Dated 9/4/87/1f

Countersigned by \_\_\_\_\_

**Coburn Ins. Agency, Deadwood, SD** Authorized Representative **47-4992**

MIP-610 (1/83)

# MASTER INSURANCE POLICY

Exp. 7/1/88

## GENERAL CHANGE ENDORSEMENT

This endorsement, from its effective date, forms a part of Policy No. MP <u>092871010</u>		Branch Office and Agent <b>Mpls., MN Coburn Ins. Agency Deadwood, SD 47-4992</b>
Endorsement effective date <u>8/5/87</u>		
Issued By <u>United States Fidelity &amp; Guaranty Company</u> (Company)		
Named Insured <u>BROHM MINING CORP.</u>		

(The spaces above are to be completed only if this endorsement is issued subsequent to the issuance of the policy)

It is hereby understood and agreed that Location #1 is changed as follows:

### DELETE:

Location #1 Contents and Extra Expense - 825 Main Street  
Suite 4,5,6,7  
Spearfish, South Dakota

### ADD:

Location #1 Contents and Extra Expense as follows:

\$60,000. - 90% Co-Ins. - \$250. deductible  
Coverage B - On Personal Property contained in one-story,  
frame building occupied as office  
\$6,000. - Extra Expense (40-80-100%)

Situated: 20 Cliff Street  
Deadwood, South Dakota

All other terms and conditions remain as is.

Dated 9/4/87/lf

Countersigned by Coburn Insurance Agency, Deadwood, SD 47-4992  
Authorized Representative